PUBLIC WORKS APPROPRIATIONS FOR 1961

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON PUBLIC WORKS APPROPRIATIONS

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PART 5

Testimony of Members of Congress, Interested Organizations, and Individuals

(Pages 924–1635)

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UNITED STATES OF AMERICA

PUBLIC WORKS APPROPRIATION FOR 1961

PUBLIC WORKS APPROPRIATIONS FOR 1961

MARCH 11, 1960.

UPPER COLORADO RIVER STORAGE PROJECT

WITNESSES

IVAL V. GOSLIN, CHIEF, ENGINEER-SECRETARY, UPPER COLORADO RIVER COMMISSION
HON. GALE McGEE, A U.S. SENATOR FROM THE STATE OF WYOMING
HON. STEVE McNICHOLS, GOVERNOR OF THE STATE OF COLORADO
FELIX L. SPARKS, DIRECTOR, COLORADO WATER CONSERVATION BOARD
STEPHEN E. REYNOLDS, STATE ENGINEER, NEW MEXICO
JOHN H. BLISS, UPPER COLORADO RIVER COMMISSION
HON. GEORGE D. CLYDE, GOVERNOR OF THE STATE OF UTAH
HON. HENRY DIXON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH
JAY A. BINGHAM, DIRECTOR, UTAH WATER AND POWER BOARD
B. H. STRINGHAM, CHAIRMAN, 21 COUNTIES COMMITTEE OF UTAH

Mr. CANNON. The committee will be in order. We will take up this morning the Upper Colorado River storage project.

I recognize Mr. Goslin to present this case.

Mr. GOSLIN. Chairman Cannon and members of the committee, it is with a great deal of pleasure that we from the Upper Colorado River Basin are here again this year on behalf of appropriations for our vast interstate project.

I am the chief engineer and secretary of the Upper Colorado River Commission. We have with us today some rather distinguished guests to present our testimony. They are either Governors of our four States, or representatives of those Governors. I have a prepared statement that I would like to insert in the record at this time.

Mr. CANNON. Without objection it will be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF IVAL V. GOSLIN, CHIEF ENGINEER AND SECRETARY, UPPER COLORADO RIVER COMMISSION

My name is Ival V. Goslin. I am the chief engineer and secretary of the Upper Colorado River Commission, Salt Lake City, Utah. The Upper Colorado River Commission is an interstate administrative agency created under the

terms of the Upper Colorado River Basin compact, executed at Sante Fe, N. Mex., on October 11, 1948. The commission represents the States of Colorado, New Mexico, Utah, and Wyoming in matters pertaining to the water resources of the Upper Colorado River Basin.

BUDGET REQUEST FOR FISCAL 1961

In his budget request to the Congress on January 18, 1960, the President recommended that construction and planning funds be appropriated to the Upper Colorado River Basin fund for the Colorado River storage project and participating projects, as follows:

Project	Location	Amount recommended
Continuing work:		
Glen Canyon storage unit	Arizona-Utah	$35,535,000
Flaming Gorge storage unit	Utah-Wyoming	12,000,000
Navajo storage unit	Colorado-New Mexico	11,776,000
Paonia participating project	Colorado	903,000
Smith Fork participating project	do	1,500,000
Vernal unit of central Utah participating project	Utah	2,189,000
Hammond participating project	New Mexico	1,300,000
Seedskadee participating project	Wyoming	5,000,000
New construction starts for final 1961:		
Curecanti storage unit	Colorado	1,400,000
Florida participating project	do	750,000
Funds in other categories:		
Transmission lines division	Upper Basin States	518,000
Advance planning	do	938,000
Subtotal to Upper Colorado River Basin fund		73,809,000
Undistributed reduction due to delays and deferrals		−2,209,000
Total to Upper Colorado River Basin fund appropriation.		71,600,000

It was anticipated at the time of President Eisenhower's budget request in January that there would be approximately $18 million of carryover funds available for use in 1961 due to the 6 months labor strike at Glen Canyon Dam during the first half of fiscal 1960. On March 10, 1960, the original budget request for Glen Canyon construction funds was reduced by $8.5 million because the contractor will be unable to accomplish sufficient construction to earn the full sum apportioned in the original budget recommendation to Congress plus the $18 million carryover from fiscal 1960.

In general, the President's budget request, as it now stands, contains recommended sums for construction of the storage units and participating projects that fairly well represent the amounts of work that can be expected to be accomplished in 1961. Therefore, it is requested that the Committee on Appropriations report to the House of Representatives a bill that will include the budgeted items for the storage units and participating irrigation projects of the Colorado River storage project, with the exception noted hereinafter.

NEW PROJECT STARTS FOR FISCAL 1961

Included in the fiscal year 1961 proposed reclamation programs are six new construction starts, of which two are located in the Upper Colorado River Basin. These two are the Curecanti storage unit on the Gunnison River in western Colorado and the Florida participating irrigation project in southwestern Colorado.

The Curecanti storage unit for which an initial construction appropriation of $1,400,000 is requested was authorized by Public Law 485, 84th Congress, 2d session, subject to certification by the Secretary of the Interior to the Congress and to the President that it is economically justifiable. Certification to this effect was transmitted to the required parties in the form of an economic justification report in July 1959. As certified the Curecanti unit will consist of two dams, reservoirs, powerplants, and other appurtenant works on the Gunnison River. The feasibility of a third dam, reservoir, and powerplant is currently under study.

The primary purposes of the Curecanti unit are the regulation and storage of flood flows of the Gunnison River and the generation of hydroelectric energy. The storage of water will also assist in river regulation in complying with the requirements of the Colorado River compact, and will, by the exchange process, furnish irrigation water supplies for participating irrigation projects in the upper basin. Major benefits will accrue to the area, the State of Colorado, and the Nation from recreational facilities that will be provided.

The $1.4 million sought for initiating construction in fiscal 1961 will allow for the preparation of designs and specifications leading to the award of a construction contract for Blue Mesa Dam and Reservoir. Funds are urgently needed in order to make surveys and prepare estimates of costs of relocating U.S. Highway 50 around the reservoir area. Owners of business enterprises and of homes in the area have been in a state of indecision for several years waiting for these plans to be consummated. This has disrupted the economy of the area and, in some instances, has caused hardships to citizens who cannot plan their enterprises in an orderly manner.

The Florida participating project was also authorized by Public Law 485, 84th Congress, 2d session. In order to initiate construction, $750,000 is requested for fiscal 1961. It is anticipated that these funds will be used for collection of design data for Lemon Dam and Reservoir, acquisition of rights-of-way, and the preparation of designs and specifications leading to the award of a construction contract. Investigations will also be continued on the enlargement and rehabilitation of the distribution system.

The primary purpose of this multipurpose project is to provide a supplemental supply of water for 13,720 acres of land now inadequately irrigated, and a full supply to 5,730 acres of new land. There will be additional local and national benefits from flood control, propagation of fish and wildlife, and recreation facilities.

GENERAL INVESTIGATIONS

The amount in the President's budget request, $4,650,000, for the general investigations program of the Bureau of Reclamation is insufficient. For a number of years proponents of a sound reclamation program have advocated an increase in these funds. They recognize that the backbone of the entire program lies in having adequate funds available each year for project investigations. Without investigations and planning there cannot be created a backlog of projects ready at the time they should be constructed. Unnecessary delays, added expenses, insecurity, and lack of employment opportunities result when adequate blueprints are not maintained well in advance of construction. One very effective way to provide for the future requirements of the United States is for Congress to increase the appropriations of funds for general investigations activities.

During the past few years, in the neighborhood of $600,000 to $700,000 have been apportioned to investigating the feasibility of projects in the Upper Colorado River Basin. The appropriation for the overall GI program of the Bureau of Reclamation should be increased to such an amount that at least $1 million per year would be available as the share of these funds allotted to the upper basin for this purpose.

In fiscal 1961 the general investigations in the Upper Colorado River Basin should be sharply accelerated. There are many projects in western Colorado for which feasibility reports should be completed at an early date. In fact, one, the Animas-La Plata project in Colorado and New Mexico has already been placed on an accelerated priority schedule and will need additional investigation money if other potential projects in Colorado, New Mexico, Utah, and Wyoming, are to be kept on schedule.

In the classification of advance planning there are 5 of the 11 originally authorized participating projects remaining upon which investigations and planning should be completed and definite plan reports prepared as rapidly as possible. These reclamation projects are: The Lyman and La Barge projects in Wyoming, the Emery County project and remaining portions of the central Utah project in Utah, and the silt project in Colorado.

Increases in both general investigations and advance planning moneys could logically be derived from part of the $8.5 million reduction in the budget request for construction of the Glen Canyon Dam and Reservoir.

TRANSMISSION LINES, POWER MARKET AREA

During the past year, intense interest has developed in the problems related to the geographic area in which energy generated by the Colorado River storage project will be sold, the nature, extent, and characteristics of the transmission system for distributing the electrical energy, and whether the transmission lines are to be constructed by the Bureau of Reclamation or by private utilities. Questions have been raised by both preference users' groups and private utilities concerning power rates, the amounts of power and energy that will be for sale, etc., in addition to questions about the potential power market area and transmission lines.

The Upper Colorado River Commission is cognizant of the fact that the establishment of a power market area by the Secretary of the Interior is necessary before final decisions can be rendered regarding related items; such as, the type and extent of the transmission system, line locations and costs, transmission voltages, interconnections with transmission systems in adjacent areas, interim rate schedules, allocations of power to consumers, etc. Therefore, the Commission formally adopted a statement of policy, that will provide a basis for an equitable and practicable means of determining a market area and marketing criteria for power to be generated by the powerplants of the Colorado River storage project. The following letter to the Secretary of the Interior contains the policy statement to which reference is made:

UPPER COLORADO RIVER COMMISSION,
Salt Lake City, Utah, March 7, 1960.

HON. FRED A. SEATON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY SEATON: At a special meeting held in Salt Lake City, Utah, on February 29 and March 1, 1960, the Upper Colorado River Commission authorized me to submit to you the following statement of policy pertaining to the power market areas for energy to be generated by the Colorado River storage project.

"The Colorado River storage project and participating projects were authorized by the U.S. Congress to be constructed as a comprehensive, basinwide, river regulation, power generation, and reclamation project directly dependent upon the utilization of the water resources of the upper division States of the Colorado River Basin (Public Law 485, 84th Cong., 2d sess.). It is the intent of Public Law 485 that direct benefits from the Colorado River storage project are to accrue primarily to said States of the upper division.

"The Secretary of the Interior is required to operate the water-regulating and power-generating facilities of the Colorado River storage project in an efficient manner and to apportion and distribute the hydroelectric energy in as equitable and fair way as practicable, at the same time maintaining a rapid and efficient payout schedule for the storage units and participating projects. In performing these functions, the Secretary must comply with the preference clause and other applicable portions of reclamation law, including Public Law 485, 84th Congress (70 Stat. 105).

"Initially the indicated net requirements of preference customers in the four upper division States for power from the Colorado River storage project will be substantially less than the generating capability of the power plants of the Colorado River storage project, but such requirements will equal or exceed the generating capability by 1980.

"In order to operate the powerplants of the Colorado River storage project 'in conjunction with other Federal powerplants, present and potential, so as to produce the greatest practicable amount of power and energy that can be sold at firm power and energy rates' (sec. 7, Public Law 485), it will be necessary to coordinate and integrate the operations of the reservoir and power plant at Glen Canyon with the operations at Hoover Dam and other lower basin dams.

"The determination by the Secretary of the Interior of the power market area for Colorado River storage project power is an essential prerequisite to final decisions by the Secretary pertaining to load centers, transmission voltages, transmission line locations, power rates and other power marketing criteria.

"It is the consensus of the Upper Colorado River Commission that at the earliest practicable date the Secretary of the Interior should declare the market

area and basic marketing criteria for energy generated by the storage units of the Colorado River storage project in conformity with the following general principles:

"I. MARKET AREA

"A. The primary market area to be defined as those regions within economic transmission distance in the upper division States: Colorado, New Mexico, Utah, and Wyoming.

"B. The secondary market to be defined as those regions within economic transmission distance within:

"1. State of Arizona.

"2. Those parts of the States of California and Nevada located within the Colorado River drainage basin.

"II. BASIC MARKETING CRITERIA

"A. Initial preference customer loads in the primary market area to be served to fill 1965 requirements, as determined by the Secretary of the Interior, and subsequently adjusted as defined in II D.

"B. Predicated upon the understanding that lower basin preference customers in the secondary market area, as defined in I B, have applied to the Secretary of the Interior for substantial blocks of energy from the Colorado River storage project, it is recommended that, prior to the need for this energy by upper basin preference users, preference customer loads in the secondary market area be served to the extent practicable; provided that the Secretary shall not contract for the sale of energy directly or indirectly to a preference customer in the secondary market area for delivery by resale or exchange to a nonpreference customer in the secondary market area.

"C. Energy in excess of that in paragraphs II A and II B to be sold to private utilities in the primary market area.

"D. At reasonable intervals beginning with January 1, 1964, the Secretary of the Interior shall reappraise the requirements for energy of the preference customers in the primary market area and shall make arrangements to fill their requirements by: first, contracting for the sale of available unsold energy; second, recapturing, after reasonable notice, energy remaining under contract to private utilities in the primary market area; and, third, recapturing, after reasonable notice, energy remaining under contract to preference users in the secondary market area. In recognition of the possibility that in order to be attractive to consumers in the secondary market area, contracts for sales of power may need to include provision for continuing a minimum power supply beyond the recapture period, it is recommended that any such minimum, if deemed necessary, should not exceed 7 percent of project capability and generation during the winter months or 20 percent during the summer months, the winter maximum to be decreased and the summer maximum to be increased as diversity of preference loads between the primary and secondary market areas may indicate.

"E. Nonfirm energy shall be sold under the same priorities as outlined under II A, B, and C.

"III. ENERGY RATES

"The delivery of all energy generated by, or credited to, the powerplants of the Colorado River storage project shall be at rates that will provide repayment assistance to retire the costs of the Colorado River storage project and participating projects allocated to irregation in a manner consistent with an orderly and progressive development of the water and land resources of the upper division States in conformity with Public Law 485, 84th Congress, 2d session (70 Stat. 105)."

Engineers of the Department of the Interior are meeting with the engineering committee of the Upper Colorado River Commission and the lower basin engineering group on March 21 and 22 for an initial explanation and discussion of "The Proposed General Principles To Govern, and Operating Criteria For, Glen Canyon Reservoir and Lake Mead During the Glen Canyon Reservoir Filling Period." The designation of the power market areas prior to that joint meeting of the engineers would be of great aid in the understanding of not only the proposed "general principles," but also of the overall Colorado River picture

including the manner in which the several present and potential reservoirs and powerplants should be operated in order to attain the objective of generating the maximum amount of hydroelectric energy.

Sincerely yours,

IVAL V. GOSLIN,
Chief Engineer and Secretary.

Although the Secretary has not yet declared the power market area, it is expected that he will do so at an early date.

The private utilities of the Upper Colorado River Basin States in their "Green Book" entitled, "Electric Utility Transmission System Study As Related to Colorado River Storage Project, October 1, 1959," and the Upper Basin preference users in their "Blue Book" entitled, "Federal Transmission System For Colorado River Storage Project As Proposed By Preference Customers, March 1, 1960," propose transmission systems that include certain segments to be constructed by the Bureau of Reclamation. Two of these segments, about which it is assumed there is general agreement, are: (*a*) that portion of the transmission system from Flaming Gorge Dam in Utah eastward to Oak Creek, Colo., and (*b*) that portion from Glen Canyon Dam eastward to Farmington, N. Mex., and Ponca Junction, Colo. The Bureau of Reclamation is currently studying all phases of a transmission system to distribute project power and at the same time meet the requirements of the Colorado River Storage Project Act.

The first generator is expected to be installed in the Flaming Gorge powerplant in June 1963 and in the Glen Canyon powerplant in June 1964. In order to have a means of conveying power as soon as plant operations commence, it appears that construction of some lines should be initiated as soon as possible. In view of the apparent noncontroversial nature of the lines eastward from Flaming Gorge and Glen Canyon cited above, Congress should give serious consideration to increasing the appropriation recommended in the budget request from $518,000 to a sum that will allow the Bureau of Reclamation to proceed at an orderly and economic rate with the construction of power lines from Flaming Gorge to Oak Creek, Colo., and from Glen Canyon to Farmington, N. Mex. Without altering the amount of the President's original budget request for reclamation, funds for these transmission lines could also come from part of the $8.5 million reduction in Glen Canyon storage unit construction appropriation. By this process no more time will be lost, the power market area can be determined, plans and negotiations can be completed, and construction of the transmission system will be accomplished in time to deliver electrical power and energy to load centers as soon as its generation begins.

Thanks for the opportunity to present this statement on behalf of the Upper Colorado River Commission and its four member States: Colorado, New Mexico, Utah, and Wyoming.

Mr. GOSLIN. At this time I wish to turn the time over to the Governors, or their representatives, and our first witness will be Senator Gale McGee representing the Governor of Wyoming, the Honorable J. J. Hickey.

STATEMENT OF SENATOR GALE M'GEE, WYOMING

Senator MCGEE. It is a privilege to be here in two capacities this morning. First, to represent the Governor, and secondly, to come across to the upper House as the chairman has described it to me on other occasions from the other side of the Hill.

The Governor regrets his inability to be here this morning. It is due to illness. He would want me to say to you that the position of the Rocky Mountain area States, the four States represented here this morning, is one of conviction in representing on a national scale the tapping of resources, the development of resource opportunities that are so indispensable now in view of the great drains being made on the economy and other aspects of development of our country. And he would particularly single out his complete endorsement of the

present request and would add one other, and that is, that there be an additional amount of $400,000 included for general investigation.

The reason for this is that in bringing in new resource development it is long range, a matter of 4, 10, or 12 years, and if we are to fully utilize the great treasure house that is there in the West in behalf of the Nation, more long range planning in the investigatory stage needs to be launched before we run out of the known investigating reports to keep the development without interruption.

I would suggest privately on my own that in this area, while we sometimes develop our professional differences on the spot, we are united in one voice in our conviction that we do have a contribution to make to the Nation. For a long time in our Nation the eastern two-thirds of our country has borne this burden as we have expanded to the point of world leadership. We think our place is now a firm one and we can help to repay the contributions made by the older States by sharing with the Nation the real opportunity that we can present now in the Rocky Mountain West.

That is all the time I want to take at this moment. I would like to have inserted in the record at this time a copy of Governor Hickey's statement.

Mr. CANNON. Without objection it will be inserted in the record.

(The statement referred to follows:)

STATEMENT OF J. J. "JOE" HICKEY, GOVERNOR OF WYOMING

Mr. Chairman and gentlemen, as Governor of the State of Wyoming, I appear before you today, together with the Governors of our sister States of Colorado, New Mexico and Utah to testify on behalf of the Upper Colorado River Commission in support of an adequate appropriation of funds for continuation of the development of the Upper Colorado River Basin.

I appreciate this opportunity to again appear before your committee to present my views concerning the needs of the State of Wyoming and the other States of the Upper Colorado River Basin in this great development, which is of the utmost importance to our States and to the entire Nation.

You gentlemen are fully advised of the tremendous benefits that will be received by the Nation and the States concerned by the construction and completion of the upper Colorado River storage project and the participating projects. This great multipurpose development will regulate the Colorado River, develop large amounts of hydroelectric power, prevent floods, produce very substantial recreational benefits, and benefits to fish and wildlife, as well as provide for the reclamation and development of great areas of our arid lands and water for municipal and industrial uses. This region is the storehouse of a great many natural resources which will be developed in the near future.

As you know, construction of the major dams and some of the participating projects is now well underway and this work must be carried on to completion at the earliest possible date, at an orderly and economical rate. In this way, the benefits will be received earlier and the return of the funds advanced by the Federal Government get underway by repayment from power revenues.

We all know that the 1960 census, now in process, will disclose a tremendous growth in population of the United States and particularly in many of our Western States. The need for employment, and to feed, clothe, and provide homes and recreational opportunities for this rapidly expanding population is now facing us. This great river basin of the upper Colorado offers fine opportunities for industrial development, as well as agricultural, but water, in proper regulated supply, is the foundation for its future growth.

Today, we in Wyoming urge that the appropriations, as presented in the President's budget request for the upper Colorado River project, be authorized in

the following amounts, to which we feel that the amount of $400,000 should be added for general investigations:

Glen Canyon storage unit	$35, 535, 000
(plus about $18,000,000 carryover)	
Flaming Gorge storage unit	12, 000, 000
Navajo storage unit	11, 776, 000
Curecanti storage unit (Blue Mesa Dam)	1, 400, 000
Paonia participating project	903, 000
Vernal unit, central Utah participating project	2, 189, 000
Hammond participating project	1, 300, 000
Smith Fork participating project	1, 500, 000
Seedskadee participating project	5,000,000
Florida participating project	750, 000
Studies and consultations on transmission lands	518, 000
Advance planning	938, 000
Total	73, 809, 000

There is a pressing need for additional funds for general investigations of participating projects and to advance the date for final reports on some of the participating projects, so as to get those ready for construction at an earlier date than would be possible otherwise. The amount requested is $400,000 for general investigations and, of this, $25,000 is needed to speed up the reports on the Lyman project in Wyoming. Other projects for which these funds should be provided are located throughout the Upper Colorado Basin. Increased costs and increase in Federal salaries and wages reduces the amount of work that can be accomplished with the funds budgeted.

Wyoming is particularly interested in funds for construction of the Seedskadee project. Although some questions have been raised by potential industrial developments in this area, we are sure that these problems will be resolved at an early date and urge that construction funds in the amount of $5 million, as proposed in the budget reguest, be provided.

The definite plan report on the Lyman project in Wyoming is scheduled for completion in fiscal year 1962 and we will ask for authorization and appropriations for that project at the earliest possible date. The final feasibility report on the Savery-Pot Hook project was submitted to the Commissioner of Reclamation in June 1959, and early authorization of this project will no doubt be requested.

In addition to the upper Colorado River project, Wyoming is interested in projects in the other stream basins of the State and, at this time, I wish to urge also the inclusion of funds requested in the budget for the Wyoming projects in the Missouri River Basin, including the Glendo and Owl Creek projects.

Another project in the Missouri River Basin, which we wish to support at this time, is the Yellowtail Dam unit on the Big Horn River, which will impound water in Montana and Wyoming. We recommend that the amount of $2,500,000, as set up in the President's budget request, be appropriated for work on this unit.

I wish to thank you, Mr. Chairman, for this opportunity to appear at this time.

Mr. NICHOLS. Our next witness will be Gov. Steve McNichols of Colorado.

Mr. CANNON. We are glad to have you with us this morning. The committee is honored in having your suggestions on this project. Would you care to make a statement at this point.

STATEMENT OF GOV. STEVE M'NICHOLS, COLORADO

Governor MCNICHOLS. I would like to make a statement. I would also like to ask permission to submit a statement from Judge Hughes, one of our leading judges in Colorado, and a great expert in the field of water.

Mr. CANNON. Without objection it will be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF DAN H. HUGHES

My name is Dan H. Hughes, my address Montrose County, Colo. I live in the Uncompahgre Valley, which is part of the Gunnison Basin.

For 12 years prior to December 1, 1959, I served as district judge of the seventh judicial district of Colorado, which embraces within it the entire Gunnison Basin. I have resided in the Uncompahgre Valley since 1904. I worked on the Gunnison tunnel's first construction period in 1905. I started the practice of law in 1911 and I have the privilege of now representing all of the people in western Colorado which is directly affected by this Curecanti project. I appear here, also, as a member of the board of directors of the Colorado River Water Conservation District, which encompasses within its boundaries the greater portion of western Colorado and approximately one-fourth of the entire area of the State. I am Chairman of the National Advisory Council for the Bureau of Land Management, Department of Interior.

I appear before this committee today to urge upon you the necessity for the appropriation by the Congress of funds for commencement of construction on the Curecanti project and to give you the reasons why I do so. Let me say first that this project is one in connection with which there is no division of opinion in Colorado; as you have been advised by our Governor and by Congressman Aspinall of the Fourth Congressional District, the entire State of Colorado is solidly supporting the Curecanti project.

I now want to discuss this subject from a standpoint of the Gunnison Basin itself. The Gunnison River, of which the Uncompahgre is one of the principal tributaries, is a tributary of the Colorado River. Discussion of the desirability of the Curecanti project as a part of the Colorado River storage project itself has continued over many years. Since it became apparent that this project would be included as an essential unit of the overall storage project, local entities have been organized within the Gunnison Basin under the laws of the State of Colorado permitting such organization for the purpose, not alone of endeavoring to bring about the actual construction of the Curecanti Dams but, looking further into the future, of integrating and coordinating the use of the water of the Gunnison River and its tributaries so that it would serve its full purpose of providing for in-basin development by consumptive use of water, including irrigation and municipal, and the functions which the reservoirs will perform as an essential unit of the Colorado River storage project. These entities are actively engaged, at this time, in furthering this general program so that when the Curecanti project becomes a reality, those within the Gunnison Basin will be prepared to utilize the water made available to the greatest possible extent.

It should be borne in mind that approximately 72 percent of the water that passes Lees Ferry on its way to the lower basin and which was apportioned under the Colorado River compact, originates in western Colorado; by far the greater portion of that 72 percent finds its origin within the boundaries of the district I represent.

There are four holdover storage units authorized for construction under the Storage Project Act, Public Law No. 485. Only one is located in the State of Colorado, and that is the Curecanti project. The other three are in the process of construction. In our opinion, the Curecanti unit is as essential as any of the other three. We view the Curecanti unit as a multiple-use reservoir.

Approximately 38 percent of the entire area of Colorado is still owned by the Federal Government; a big percentage of this land is on the western slope of Colorado. I would say that Federal land comprises a minimum of 70 percent of the western slope area. We have one county, Hinsdale, where the latest figures I have seen show that approximately 95 percent of the entire land area is federally owned. It requires no argument to demonstrate that our governmental agencies located on the western slope, if they are to receive normal taxes for such purposes as school districts, road construction, maintenance, and county government must have an extremely large tax levy to raise sufficient moneys because of this Federal ownership of lands. At one time, a school district located at Norwood, Colo., had a 7½-percent levy on all taxable property, which was not sufficient to meet their expenses.

There are large areas of uncultivated lands in the Gunnison Valley and the Uncompahgre Valley. It is practical to irrigate these lands if the water was available. At present, the lands which are irrigated take full stream flow during the irrigation season from approximately July 10 on.

When the Curecanti Reservoir is constructed, the waters stored during the non-irrigation season will be released for hydroelectric purposes through the entire year and will be sufficient to satisfy the irrigation needs below the reservoir. With the construction of the reservoir and the use of the stored water to serve the present decrees below the reservoir, there should be ample water available to put into cultivation areas for which water is not now available and which lie above the Curecanti Reservoir.

Local interests are now and for several years past have been moving ahead as rapidly as possible through forming water conservancy districts, surveying sites for small reservoirs and filing upon the same, preparing for canals for distribution of water therefrom and obtaining an agreement with the local landowners for the use of this water and the payment of charges which will be entailed thereby.

With this additional acreage, there would be material relief from the excessive high tax levy now existing. We feel that if the Federal Government continues to hold title to the land, it should take into consideration the burden cast upon the local people and the governmental agencies by virtue of the fact that such large land areas are not taxable in any matter.

It is mainly from this basis that we view Curecanti Reservoir as a multiple-use unit. In addition to any lands which could be brought in, water rights below the reservoir would be firm, water would be available not only for irrigation, but for municipal and county domestic use.

The reservoir will serve a very needed use for flood control. During the spring runoff period, the Gunnison River in its downstream reaches becomes a raging torrent and in its surge, annually causes excessive and distressing damage to both farm and urban areas. Construction of this project will eliminate this damage.

There has been a great deal of publicity in nationally distributed periodicals to the effect that the construction of the Curecanti Reservoirs will have an adverse effect on fishing, wildlife, and other recreational values. We consider this to be a calculated misrepresentation of facts and known to be such. Those of us who actually reside in the area directly effected by the reservoirs and who know what these values are, more than any other people, are convinced that this project will increase the economy in this area from the standpoint of the fishing, wildlife, and recreational values. The National Park Service and the Forest Service reports both predict that the reservoirs will increase the recreational values. In this connection, see House Document No. 201, 86th Congress, 1st session, publication date 1960, containing supplemental report on Curecanti storage unit, pages 51 et seq, being a report by the National Park Service in connection with Curecanti unit and its benefits wherein it is stated, "It is estimated that approximately 500,000 man-days of general recreational use annually can be attributed to the Curecanti unit reservoir. * * * These 500,000 visitor-days are in addition to estimated present and future visitations to the area without the project."

Appended hereto is a letter by A. Allen Brown, president of the Colorado River Water Conservation District, on that subject, and a letter to which Mr. Brown refers: and your attention is invited to these communications.

In conclusion, may we respectfully submit that this is truly a multiple-purpose project. This multiple-purpose being power, recreation, industrial, irrigation, and flood control.

GLENWOOD SPRINGS, COLO., *March 30, 1960.*

In re Curecanti Reservoir, Colo.

To the Honorable Members of the U.S. Senate and to the Honorable Members of the House of Representatives, Washington, D.C.

GENTLEMEN: On behalf of the Colorado River Water Conservation District, a statutory organization comprising 13½ counties in the northwest one-fourth of the State of Colorado, I am enclosing herewith a letter prepared by the Honorable John B. Barnard, Sr., attorney for the district, and a noted authority on water problems in the West, which letter is written in answer to an article which was published in the Outdoor Life magazine in the November 1959 issue, in opposition to the construction of the Curecanti Reservoir.

We submit to you that this article is misleading, is contrary to the facts, and that it was written to support preconceived ideas which have no relationship to the necessary development of the West. The author of that article spent less than 2 days in the Gunnison River area. On the other hand, Mr. Barnard was born at Montrose, Colo., prior to the turn of the century and has spent many years in this part of the State and particularly in connection with the study of the development of the State of Colorado and of our water rights.

As shown by Mr. Barnard's letter, the construction of the reservoirs on the Gunnison River will affect less than 12 percent of the 329.5 miles of stream fishing on the Gunnison and its tributaries, and at the same time, will multiply many times the recreation benefits derived from boating, water skiing, and other aquatic forms of recreation.

The National Park Service, the U.S. Bureau of Reclamation, the U.S. Forest Service, and the official agencies of the State of Colorado have all given years of careful study and consideration to the questions involved in the construction of these reservoirs and have kept in mind the desirability of increasing recreation as well as production of power, the making of water available to some 150,000 acres of land and the protection of the lower river valleys from repeated flood damage. Are these tremendous and essential benefits to the State and Nation to be sacrificed for the "1,050 cottontail rabbits," a small number of mule deer, and an unknown change in fish harvest mentioned in sections 61, et seq., of the Sport Fisheries and Wild Life report of 1957?

May we quote briefly from the 1960 Curecanti unit Colorado River storage project, House Document No. 201. The report of the National Park Service, at page 52, states:

"Numerous cold mountain streams will pour into the three proposed reservoirs. Most of these are perennial and not notable fishing streams. Some of the major tributary streams are the Steuben, East and West Elk, Soap, Curecanti, Cimarron, Crystal, Willow, Cebolla, Lake Fork of the Gunnison and Pine Creek."

Also see page 57 where the Park Service states:

"With due consideration for the many outdoor types of recreational opportunities existing in the Upper Gunnison Basin area, it is believed that there is a definite need for aquatic recreation of the type to be provided by the proposed Curecanti unit reservoirs."

And at page 58:

"It is estimated that approximately 500,000 man-days of general recreation use annually can be contributed to the Curecanti unit reservoirs when recreation developments and facilities adequate to that use have been provided. These 500,000 visitor-days are in addition to estimated present and future visitations to the area without the project."

As you have been advised, Colorado produces approximately 72 percent of the water delivered to the lower basin States at Lees Ferry. Curecanti unit is the only holdover storage project that will directly benefit the State of Colorado.

For these and other legitimate and valid reasons, we urge you to read Mr. Barnard's letter carefully and give it the weight that it deserves coming from one who has had years of actual experience with the Gunnison River, its uses and its problems.

Very respectfully yours,

THE COLORADO RIVER WATER CONSERVATION DISTRICT,
By /s/ A. ALLEN BROWN, *President.*

BARNARD AND BARNARD,
ATTORNEYS AT LAW,
Granby, Colo., March 10, 1960.

EDITOR, OUTDOOR LIFE,
New York, N.Y.

DEAR SIR: Perhaps if this letter were being written to our local weekly newspaper, it should be entitled "Letter to the Editor." It is prompted by an article by Ben East, which appears in your November 1959 issue, entitled, on the front page, "Doom of a Great Trout River." The heading at the start of the article reads: "The Gunnison, One of the Most Famous of U.S. Trout Streams, Is About To Die for Three Nonessential Dams." Herein, I propose to substitute

some specific and pertinent facts for the misinformation contained in this article. Your publication justifiably enjoys a wide circulation; and certainly you, as editor, should be deeply concerned with the factual background, or the lack thereof, for all of the material which you publish.

Does the author of this article actually believe that the Congress would have authorized the advancement of $82,311,000 of Federal funds to construct these dams if they are nonessential? Does he really believe that President Eisenhower, who has been insistent, to the extent of inviting criticism of his policies, that public funds be not expended for nonessential projects or those not essential at this time, would have signed the measure authorizing the construction of the Curecanti project, if the three dams were nonessential? Is he of the opinion that the President's Bureau of the Budget, economy-minded as it is, would have included an appropriation of the sum of $1,400,000 in its fiscal year 1961 recommendation to commence construction of these dams if they are nonessential? Does he believe that the Department of the Interior was completely in error when it ascribed and allotted $3,268,000 of these Federal funds to the recreation benefits which will flow from the three nonessential dams? Mr. Editor, answer these questions yourself. Appraise the facts your answers will disclose, and then determine, for yourself whether the wailing article to which I refer is based upon facts or upon misinformation, and the sensational fantasies and imaginings of the author, who, I understand, spent less than 2 days in the Gunnison area gathering his data.

I am not unfamiliar with this great trout stream. My first fishing experience on that part of the Gunnison River which is the subject of this article was in 1907, when, as a young lad, I fished with willow flies in a very attractive pool located just a few hundred yards upstream from the situs of the proposed Blue Mesa Dam which will form the largest of the three Curecanti reservoirs. My youthful wanderings then took me along the course of the river from Curecanti Needle upstream about 10 miles. I enjoyed it immensely, even though that stretch of the stream is a dangerous one to fish; and, in the many years which have passed since that early date, and as time would permit, I have returned to my favorite fishing spot to pursue one of my favorite outdoor sports. I have fished, also, on many of the miles of the Gunnison and its principal tributaries which will, in nowise, be affected by the construction of the Curecanti project; and every fishing expedition gave me a thrill. I might add that I also much prefer stream fishing to lake fishing.

The title and subtitle of the article to which I refer, and the text itself, are all designed to create the completely false impression that the inundation of that portion of the Gunnison River which will be flooded by the Curecanti reservoirs means the inevitable doom of a great trout river. This is based upon misinformation of the grossest sort: and I propose herein to tell you why I say that, and to give you the facts which both support my statement and refute those made by the author.

The principal tributaries of the Gunnison River are the East River, Taylor, Ohio Creek, Tomichi Creek, Cochetopa Creek, Cebolla Creek, Quartz Creek, and the Lake Fork. When sportsmen speak of the Gunnison as a great trout river, they mean not only the stream itself between the situs of the proposed Crystal Dam and Almont, a distance of 67.5 miles, but they also mean, and justifiably so, all of the above named and many minor tributaries. The principal tributaries are all comparatively large streams, and afford as good or better fishing than does the main stem of the Gunnison itself. Many prefer to fish them over the Gunnison. They are far less dangerous to fish than is the part of the main stream which will be affected by the Curecanti project. The combined length of the fishing stream of the Gunnison and the above named principal tributaries is 329.5 miles.

From the Crystal Dam, which will be located 5 miles upstream from the south boundary of the Black Canon National Monument, to the upstream limits of the high water line of the Blue Mesa Reservoir, 8 miles below the city of Gunnison, is a distance of 47.5 miles. Were all of this 47.5-mile stretch of stream available for fishing which it very definitely is not, then 15 percent of the great trout river, which is the Gunnison system, would be affected for stream fishermen by the Curecanti project. I really believe that Mr. East and the rest of us who prefer stream fishing to lake fishing could find a mile or two in the remaining 282 miles of the Gunnison River and its principal tributaries in which we could pursue our hobby.

Now, let's arrive at the facts as to the 47.5 miles of the Gunnison River proper which will be inundated by the Curecanti reservoirs. Let's take the Blue Mesa Reservoir first. Twenty-six miles of the Gunnison will be flooded by the Blue Mesa Reservoir. Of this 26 miles, 15.5 miles of it traverses posted areas. Stretches of the stream are posted with "No Trespassing" signs, primarily to keep ardent fishermen from tramping down hay crops, leaving pasture gates open, and committing other depradations to the disadvantage of ranchers; and it is not publicly open to stream or any other kind of fishermen. This leaves an 11 mile stretch which is, theoretically, available to stream fishermen. But is it? Look at the pictures of Don Benson, standing on a huge rock, on page 45 of your issue. You will note that the right bank of the river consists almost entirely of precipitous cliffs, down which only the most hardy soul will venture to pursue the wily rainbow or any other kind of game fish or animal. It is my estimate that, of the 11 miles of unposted stream above the Blue Mesa Dam, fully 40 percent is inaccessible to fishermen because of the presence of these cliffs. This leaves only 6.6 miles of open stream above Blue Mesa Dam for stream fishing, out of the above total of 329.5 miles of fishing stream in the Gunnison River and its principal tributaries. Do these facts paint for you a picture of the doom of a great trout river?

It is 15 miles from the situs of the proposed Morrow Point Dam to the Blue Mesa Dam. This portion of the stream will be inundated by the proposed Morrow Point Reservoir. Here the river traverses the Black Canyon. Only one bank of the stream through the Black Canyon is or ever can be accessible or available to stream fishermen; the towering cliffs of the Black Canyon effectively keep them off the other bank. Here, except in low-water periods, the Gunnison is a raging, swift flowing, turbulent stream. One may fish only in a very few places along one side, where pools are formed, and the water becomes sufficiently quiet so that a fisherman can even keep his line in the water; and only hardy and skilled mountain men should even attempt to fish it.

It is 6 miles from the situs of the proposed Crystal Dam to the Morrow Point Dam. This stretch of the stream also will be flooded when the Crystal Reservoir is filled with water. No part of the stream here is now accessible to fishermen. The abandoned D. & R.G. Railroad emerges from the Black Canyon immediately below the situs of the Morrow Point Dam. From the point of such emergence to the Crystal Dam, the river flows through a portion of the Black Canyon which it is impossible for fishermen to enter or traverse. Parenthetically, when the Crystal Reservoir is filled, not only fisherman but gentle souls who prefer to observe scenic wonders the easy way may, by boat, traverse this presently inaccessible portion of the Black Canyon, and enjoy what I consider to be about the most spectacular and breathtaking scenic wonders on the face of the earth. They cannot see or enjoy them now.

It is my understanding that the regulation of the flow of the Colorado River by Hoover Dam and Lake Meade has made that portion of the stream below the dam an acceptable fishing area, whereas that was not true prior to the construction of that project. With the Gunnison River regulated by the Curecanti dams, and in view of the fact that present operation plans provide for the bypassing, at Crystal Dam, of a substantial and regulated flow of water, it is only logical to assume that the Gunnison River below Crystal Dam will become a "great trout stream." At present it is not, being populated almost entirely by "rough fish."

I again refer you to the pictures illustrating the author's article. Note the one at the lower left on page 46. Would you care to attempt to fish this stretch of the stream? The portion of the river immediately above Crystal Dam resembles that which is shown in the picture. However, the cliffs on each side of the stream in that stretch of the river tower probably 10 times as high as the hills shown on each side of the stream in this picture: they do not slope gently: they plunge almost perpendicularly for an up-and-down distance of close to one-half mile. Would you care to fish that part of the Gunnison?

I am a confirmed and lifelong devotee to the sport of stream fishing as contrasted to lake fishing. When the three Curecanti reservoirs are filled, I plan only slightly to alter my previous fishing procedures when I go to the Gunnison River. I propose to find a mile or two of the 282 miles of the river which will not be affected by any of these reservoirs. And I will there pursue my fishing activities as ardently, and, I am sure, as successfully, as I did when I fished at Sapinero. At the close of my fishing day, I will return to one of the recreational areas which the Government plans to establish along the perimeter of

the Blue Mesa Reservoir; and there will be several of them upon its 95 miles of highwater line. There I will fry my fish in my trailer house which will be lighted with electricity generated at the Blue Mesa powerplant, and heated from the same source. If daylight hours remain, I will take my grandchildren and make a boat trip out over the vast expanse of the Blue Mesa Reservoir, which I think will be one of the most beautiful bodies of water in America. And I think my evening rest will be disturbed very little by the fact that I cannot any longer fish on 47.5 miles of the Gunnison River, most of which I couldn't fish anyway; and if I am at all disturbed by the fact, I will console myself by remembering that 282 miles of that stream still remain to me and all other fishermen, who, like me, prefer stream fishing to lake fishing.

Please bear in mind that not all people who come to Colorado for their vacations—and the number is increasing tremendously year by year—come here to enjoy stream fishing. Many who visit Colorado like boating, swimming, water skiing, lake trolling, and other similar sports which now are denied them in the Gunnison Basin. Are we to sacrifice their pleasures and enjoyments for those of the very meager few who would like to see the Gunnison River remain as it is?

Let us look at the economy of the Gunnison Basin area. I live in Grand County immediately below Granby Reservoir, a manmade lake which is a part of the Colorado-Big Thompson project. The Colorado River was at one time equally as good a trout stream as the Gunnison. I know this from experience, having fished both streams for many years. Many miles of the Colorado are now inaccessible for stream fishing because of the presence of Granby Reservoir and the flow of water released therefrom. But I know that the portion of the economy of Grand County which is dependent upon tourists and visitors has tremendously increased since Granby Reservoir was filled, because those who come here find not only stream fishing but a system of lakes of great beauty which they may enjoy in a wide variety of activities. Based on our experience here in Grand County, I predict that for every fisherman who would visit the Gunnison area to fish in that portion of the Gunnison River which will be affected by the Curecanti project, hundreds will come to enjoy the remaining stream fishing, to pursue their piscatorial activities on the three reservoirs which will be created, to camp in comfort at the recreational areas to be established, to enjoy boating, yachting, water skiing, swimming, and other activities now denied them.

Another phase of the discussion by the author of this article has to do with the necessity for the construction of the Curecanti dams from the standpoint of the economy and welfare of the immediately affected areas and of the seven Colorado River Basin States. I do not propose to bore you with details of the Colorado River storage project, of which the Curecanti is one of the primary and necessary units. I shall only give you certain facts for your consideration, and suggest to you that a minimum amount of research on the part of your staff will tell you whether or not they are reasonably accurate.

The construction of the Curecanti reservoirs will make possible the irrigation, within the Gunnison Basin, of 83,550 acres of land which is now in sagebrush and, so far as production of crops is concerned, completely barren. It will provide supplemental water for 73,300 acres of lands which are presently but inadequately irrigated. The Gunnison Basin lands involved are devoted primarily to the raising of livestock. The phenomenal increase in the population of America forecasts that the time will soon be here when more beef cattle must be raised if the demands of that population for beef are to be met. In no other way can these lands ever be made productive. I invite you and the author of this article to investigate carefully the accuracy of this and my following statements of fact.

Second, revenue received from the electrical energy to be generated at Curecanti, Flaming Gorge, and Glen Canyon Reservoir will make possible the construction of more than 43 participating projects in western Colorado which, without this power revenue, cannot be constructed, at least within the foreseeable future. These projects are designed to irrigate thousands of acres of presently unirrigated lands and to provide supplemental water for more thousands of acres which are now inadequately irrigated. Again, forecasting the future, America in 25 or 50 years must depend heavily upon the production of these lands to feed its men, women, and children. Is a dam which creates a reservoir which serves these present and future purposes a "nonessential" dam?

Industry and municipalities throughout the seven States of the Colorado River Basin, and beyond, are power hungry. The demand so greatly exceeds the supply that many communities cannot be assured of an adequate supply of power past the year 1962. These communities, industries, municipalities, and great cities of the Colorado River Basin are as much entitled to an ample supply of power as are similar entities in the East. Is a dam which includes a powerplant, which, in turn, will greatly augment this inadequate power supply, a "nonessential" dam?

I shall not go further in discussing the benefits which will accrue to the Gunnison Basin, western Colorado, the State of Colorado, the seven States of the Colorado River Basin, and in fact, the United States of America, as the result of the construction of the Curecanti project. I merely invite you and those who oppose such construction, including the author of this article, to spend just a little time in further research on the subject.

The author of this article, on his muffled drums, beats a lugubrious requiem presaging the "doom of a great trout river." I think it would be more proper to arrange for an orchestra to play a fanfare announcing the birth of a recreational area and era which men will never see save only for the Curecanti reservoirs.

Yours very truly,

JOHN B. BARNARD.

Governor NICHOLS. Mr. Chairman and gentlemen of the committee, I am beginning to feel almost at home before this committee. Along with my fellow Governors of the upper basin States of the Colorado River, I have been privileged to appear here in past years in support of construction funds for the Colorado River storage project. The response of this committee has always been most gratifying to the States we collectively represent.

It is a particular pleasure to appear here this year in view of the President's favorable budget request for the Colorado River storage project. The people of Colorado were tremendously pleased to note the recommendation of construction funds for the Curecanti and Florida projects.

The members of this committee will recall that the Curecanti unit of the Colorado River storage project was authorized by the Congress in 1956, subject to a favorable economic justification report by the Secretary of the Interior. Such a report was submitted to the Congress last year. On the basis of that report the sum of $1,400,000 was included in the President's budget request to initiate construction of the Curecanti unit. Of the four mainstem units authorized by the Congress in Public Law 485, only Curecanti has not yet been started. I cannot overemphasize the importance of this project, not only to the State of Colorado, but to the entire Colorado River storage project. The Curecanti unit is a vital and initial feature of that project. The consuming mission with which the people of Colorado have entrusted me here today is to ask this committee for a favorable recommendation on construction funds for the Blue Mesa Dam of the Curecanti unit. One of the best informed persons from Colorado on the subject of Curecanti is our Congressman Wayne Aspinall, and I am sure that this committee will hear from him in greater detail on this matter.

In 1956 the Congress also authorized the construction of the Florida participating project in southwestern Colorado, subject to further economic feasibility investigation by the Secretary of the Interior. A favorable investigation has been concluded by the Secretary, and the recommended budget contains an item of $750,000 to initiate construction of this project. The Florida is a relatively small project in size, but large in importance to an arid section of our State. The

lower part of the project area is within the boundaries of the southern Ute Indian tribal lands, and will bolster the economy of that area. The Florida Water Conservancy District was organized 12 years ago in anticipation of this project. We therefore urge this committee to report favorably on the budget recommendation.

The progress of our going projects—Glen Canyon in Arizona, Flaming Gorge and Vernal in Utah, Seedskadee in Wyoming, Navajo and Hammond in New Mexico, and Paonia and Smith Fork in Colorado—has been up to our greatest expectations. The recommended budget is quite adequate for the expeditious completion of those projects.

I know there are times when the members of this committee must feel that we in Colorado, New Mexico, Utah, and Wyoming are unduly preoccupied with the subject of storing water. I trust that you can forgive us, however, with the knowledge that about 50 percent of our entire year's water supply runs downstream in just 2 months—May and June. We either store water in these months, or we do without.

The other Governors of our group here today will cover in more detail the specific projects within their States. I wish to emphasize, however, that the people in Colorado consider all projects mentioned here as of joint and equal importance to the entire upper basin of the Colorado River. We are therefore in complete accord with the remarks of Governor Clyde, and Governor Hickey.

There is only one addition that we would like to suggest to the proposed Colorado River storage project budget for consideration by this committee. At the time the budget for fiscal year 1961 was proposed, there was considerable uncertainty about the construction of transmission lines to market storage project power. At this time, however, there is apparently complete concurrence that the Bureau of Reclamation should construct the segments of the backbone transmission system which follow a general route from Glen Canyon-Four Corners-Curecanti-Poncha Junction, and from Flaming Gorge to Oak Creek, Colo.

It is presently estimated that power will be produced at Flaming Gorge in 1963 and from Glen Canyon in 1965. The planning and construction of the necessary transmission system is of such magnitude that it cannot be accomplished by starting later than the coming fiscal year, without going into a "crash" program. On this point, there again seems to be no disagreement of any kind. We respectfully urge this committee to appropriate to the Bureau of Reclamation the sum of at least $2 million to initiate construction of the transmission lines before described.

I have been as brief as possible on subjects which are the very future of the people of Colorado, New Mexico, Utah, and Wyoming. I wish to express my personal appreciation and the warm gratitude of the people of Colorado for the opportunity to be heard here today.

Mr. CANNON. Thank you, Governor McNichols. We are very glad indeed to have your suggestions on this project.

Mr. GOSLIN. Our next witness is Mr. Stephen E. Reynolds, State engineer, representing Governor Burroughs of New Mexico. Mr. Reynolds has with him Mr. John H. Bliss, upper Colorado River commissioner from New Mexico.

STATEMENT OF MR. STEPHEN E. REYNOLDS

Mr. REYNOLDS. Governor Burroughs has asked me first to express his deep regret at not being able to appear here this morning with the other Governors from the Upper Basin States, but he asked me to file his statement with the committee and to give a brief oral summary of that statement.

(The statement follows:)

STATEMENT OF GOV. JOHN BURROUGHS, APRIL 11, 1960

Mr. Chairman and members of the committee, my name is John Burroughs and I am Governor of the State of New Mexico. Together with the Governors of the States of Colorado, Utah, and Wyoming and with the Upper Colorado River Commission I am appearing before this subcommittee in behalf of appropriations to continue construction of the Colorado River storage project and participating projects and to provide adequate investigation moneys to continue study of additional projects contemplated by Public Law 485. I am appearing also in behalf of appropriations for other New Mexico projects.

COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS

At the outset I would state that only by mutual support and coordinated action can the Upper Colorado River Basin States achieve the fullest development of a realistic and farsighted program for the use of the waters of this great river basin.

I wish to affirm New Mexico's full support for the following appropriations recommended by the President through the Bureau of the Budget:

Glen Canyon storage unit	[1] $27,000,000
Flaming Gorge storage unit	12,000,000
Navajo storage unit	11,776,000
Paonia participating project	903,000
Vernal unit, participating project	2,189,000
Hammond participating project	1,300,000
Smith Fork participating project	1,500,000
Seedskadee participating project	5,000,000
Transmission lines studies	518,000
Total	62,186,000

[1] The $27,000,00 recommended for Glen Canyon Dam plus approximately $18,000,000 of funds carried over from fiscal 1960 because of a labor strike is believed to be adequate to carry on optimum construction at this site during fiscal 1961.

The President's recommended budget would also provide funds to initiate construction of the Florida participating project and the Curecanti storage unit in Colorado.

For a number of months the States of New Mexico and Colorado have been negotiating to resolve issues raised by Colorado concerning the use of the waters of the San Juan River and tributaries, an interstate stream system which serves water users in both States subject to the terms of the Upper Colorado River Compact. The water for the Florida project in Colorado comes from the supply which is at issue. It would be unsound to initiate construction of the Florida project before the issues raised by Colorado have been resolved. It is New Mexico's sincere hope and desire that these negotiations can be completed at an early date so that the two States can present a united front for the construction of this project which is important to both States.

A major element in the cost of construction of the Curecanti storage unit is the interest rate which under the terms of Public Law 485 is applicable to the interest-bearing features of this project. I would point out that, with one exception (the Small Reclamation Projects Act of 1956), the Colorado River Storage Project Act is the only major reclamation project in recent years in which the interest rate is tied to the market yield on Government bonds rather than to the average cost of long-term loans of the United States. As far back as the fall of 1957, at which time the market yield on bonds had increased from an initial 2⅞ to 3⅝ percent, Senator Anderson recognized the danger of the

Colorado River storage project formula to future project construction. In a speech before the National Reclamation Association in Phoenix, Ariz. in November 1957, he pointed out that "most of the (great reclamation) projects we have built in the past—Hoover Dam, Grand Coulee—projects in the Missouri Basin—would have been difficult, if not impossible, had the 3⅝ percent rate been applicable." It is important to note that since Senator Anderson's speech, the Government bond yield has increased further to a current rate of about 4⅛ percent. The effect of these increases on the repayment capacity of any interest-bearing feature of the storage project started in fiscal 1961 is obvious. The excessive interest rate would materially reduce the power revenues allocated to each of the upper basin States for the financing of participating irrigation projects. Legislation which would provide an equitable and realistic interest rate formula has already been introduced in the Congress and New Mexico firmly believes that the excessive interest rate should not be saddled on the Curecanti storage unit by initiating construction until the Congress has had ample opportunity to consider such corrective legislation.

Since authorization of the Colorado River storage project in 1956, the four States have consistently emphasized the need for an orderly, continuing program of planning and construction. I am pleased to note that the President has recommended a number of "new starts" for fiscal 1961. The 1960 national census will, I'm sure, emphasize the explosive nature of our country's population growth and will pinpoint the inevitable need for the production of additional food and fiber to keep pace with the population growth. New Mexico urges the continued recognition of this need by the Congress.

To assure an orderly planning and development program, I recommend that general investigation moneys for the Bureau of Reclamation be increased over the $4,650,000 requested by the President a sufficient amount that $1 million will be available to the upper Colorado River Basin; and that the advance planning fund for the Colorado River storage project be increased to $1,688,000 for the coming fiscal year. A substantial increase in reclamation program planning is necessary to expedite the initiation of new projects and thus maintain a continued, efficient high level of water resources development.

The requested increase of $750,000 in advance planning money is necessary to expedite preconstruction planning of projects given priority planning by section 2 of Public Law 485. The Navajo Indian irrigation project and the San Juan-Chama project are two of these priority projects. The Indian project would use water directly from Navajo Reservoir which is currently under construction and which will be completed by 1963. Legislation to authorize the projects, S. 72, has passed the Senate and is currently before the House of Representatives for consideration. Advance planning for these projects will require:

For the Navajo Indian project, $600,000 for (1) aerial surveys and contour maps of the project area, (2) final locations of main canals and laterals, and (3) geological and materials investigations;

For the San Juan-Chama project, $150,000 for collection of basic hydrologic data necessary to the development of an operational plan, (2) foundation drilling on dam sites, and (3) topographic mapping.

The filling of Navajo Reservoir will cover a large number of archeological sites in the reservoir basin. Work on the excavation and cataloging of these sites is in its fourth year under the direction of the National Park Service. New Mexico requests that the 1961 budget item of $40,000 for this work be increased to $69,400 so that the archeological program can keep pace with dam construction, which is currently well ahead of schedule.

MIDDLE RIO GRANDE PROJECT

The middle Rio Grande project was authorized by the Congress in 1948 and presently authorized phases of the plan are scheduled for completion in fiscal 1962. The project is a joint undertaking of the Corps of Engineers and the Bureau of Reclamation. I am proud to add, however, that the State of New Mexico has contributed substantial moneys to supplement the Federal program. To date it has expended $545,000 on water-salvage work and is advancing another $167,000 to be spent in fiscal 1961.

I wish to affirm New Mexico's full support of the following budget recommendations:

Abiquiu Reservoir construction	$4,600,000
Project rehabilitation and channel rectification	1,729,000

The budget also includes an item of $1 million for the Corps of Engineers to continue its work of levee raising and bank protection in the Rio Grande Valley. The corps has already given your subcommittee testimony that this figure could advantageously be increased to $1,600,000. New Mexico fully supports this requested increase because it will avoid delay in providing adequate flood protection to threatened areas along the river and, if the contracts can be let promptly, will avoid the probability of paying increasing construction costs.

The Cochiti Reservoir on the main stem of the Rio Grande and Galisteo Reservoir on Galisteo Creek are flood control features of the middle Rio Grande project planned by the Corps of Engineers. Plans for the Cochiti project have been approved by the Chief of Engineers and transmitted to the Bureau of the Budget prior to submission to Congress. In the interest of expediting this badly needed flood control feature, I hereby request an appropriation of $500,000 for preconstruction planning.

WATER DESALINIZATION PLANT AT ROSWELL

In January 1960, Roswell, N. Mex., was selected as the site for one of the brackish water conversion plants authorized by Public Law 85–883. This demonstration plant with an estimated capacity of 250,000 gallons per day would use a distillation process in conversion of brackish water to fresh water. Great interest in this project has been expressed by local and State interests as evidenced by the State's offer to contribute up to $100,000 for the construction cost of the plant. I hereby support fully the testimony of our congressional delegation that $400,000 should be provided for fiscal 1961 for initiation of planning and construction of this plant.

OTHER NEW MEXICO PROJECTS

I also wish to affirm New Mexico's firm support of appropriations for other New Mexico projects appearing in the President's budget. These include:

Two Rivers flood control project construction	$400,000
Alamogordo flood control survey	24,000
Las Cruces flood control survey	16,000
Socorro flood control project preconstruction plan	157,000
McMillan Delta channelization preconstruction plan	100,000

I wish to express my appreciation of the privilege of appearing before this subcommittee and I thank you for your favorable consideration of the above matters.

Mr. REYNOLDS. In conclusion I want to express the State's appreciation for the privilege of appearing before this committee.

Mr. CANNON. Thank you.

Mr. GOSLIN. Mr. Chairman, our next witness and cleanup man will be Gov. George D. Clyde of Utah. I notice also in the room one of your colleagues, the Representative from the State of Utah, the Honorable H. H. Dixon. Also accompanying Governor Clyde are Mr. Jay R. Bingham, director of the Utah Water and Power Board, and Mr. B. H. Stringham, chairman of the 21 Counties Committee of Utah.

Mr. CANNON. Governor Clyde, we are honored in having you with us this morning. You are especially fortunate in being sponsored by our colleague. We will be very glad to have any suggestions you care to make at this point.

STATEMENT OF GOV. GEORGE D. CLYDE, UTAH

Governor CLYDE. Thank you, Mr. Chairman. It is always an honor and a privilege to appear before this august body.

Mr. CANNON. I notice that Congressman King of Utah is here this morning. We are glad to have him with us. Excuse me, please, for interrupting.

Governor CLYDE. It is always a privilege to appear before this body.

We are appearing, as you know, in the interest of the development of the Colorado and the reclamation projects in general.

On the Colorado project we have a common problem— the development of water for consumptive purposes.

Four States are agreed on this general project in spite of some minor differences that creep up from time to time in the resolution of a project of this magnitude.

We recognize water is a limiting factor to our growth and we must work together to develop this common resources. We are here because we believe that the full, orderly development of the water and power resources of the Colorado River is in the best interest of the States, the West, and the Nation.

I would like to point out at this time, Mr. Chairman, a chart which I have here in connection with the four States of Colorado, New Mexico, Wyoming, and Utah showing the percent of Federal lands in those States. In Utah it is 72 percent. You will notice that the percentages are high. I would like to point out that the Federal land in those four States is the equivalent of the combined areas of New York, New Jersey, Pennsylvania, Ohio, Indiana, Massachusetts, Connecticut, Rhode Island, and New Hampshire.

I would like to point out further that the contributions to the reclamation funds from these States are substantial. In 1959, for example, $31.5 million, or 68 percent of the total contribution to the reclamation fund was from all of the 17 Western States.

I would like to point out further, Mr. Chairman, this Colorado River project pays for itself. There is repayment by the water users according to their ability to pay, repayment of power features with interest and the balance from the basin account which is built up from revenues from falling water.

I would like to point out this has been an orderly development according to plan. The project was authorized in April 1956, and again if you will look at the chart you will notice the green bars that show the estimated expenditures by Senator Anderson reported in the Congressional Record in 1955. You will notice that we are well within the estimated expenditures. We are falling behind, it is true, but we are well within a practical solution to the resolution of that total project.

I would like to point out again that the benefits from the construction of this project are not limited to the States involved. For example, if you will look at that chart you will see that less than 15 percent of the benefits stay in the sponsoring States and 85 percent goes to the other States in proportion to the size of the circles, those closed circles you see on the chart. Such things as generators from New York, construction equipment and tractors from Illinois, materials and cables from Indiana and steel from California. You see this is really a national project rather than a project which involves only those four upper basin States.

I would like at this time to support the President's budget with respect to this project for storage units of $60.7 million plus an $18 million carryover from Glen Canyon Dam which is there as a result of the strike during this last season. For participating projects, $11.6 million, and we recommend that the general investigations funds for

region 4 be increased from $595,000 to $815,000 and that the advanced planning funds for region 4 be increased from $959,000 to $1,134,000. Those two increases are essential to the $400,000 referred to by one of the previous speakers.

I want to say we also support the transmission study fund of $518,000 but urge that funds for construction of transmission lines be limited to those lines on which mutual agreement has been reached because we do not want any duplication. We want to get the lines we need and we want to limit those lines to those which are mutually agreed to.

For my own State I urge the approval of the President's budget for the continued construction of the Weber Basin and Deer Creek projects and preparation of final plans for the Dixie project.

We have a photograph here of Glen Canyon that I would like to show you. That picture there shows the completed structure at Glen Canyon with the bridge below it, and I would say that bridge is the only crossing in the area. If that bridge were not there one would have to travel 225 miles to get from one side of that river to the other. With the bridge it is a matter of a few thousand feet.

I would like to show you this picture. The top picture there is a picture of the present stage of construction showing the coffer dams above and below the foundation, and the excavation of the foundation to begin the pouring of concrete.

In summary, I want to point out we have made a good start on the construction of this great project. We hope that your committee will see fit to continue these reclamation programs on a sound and orderly basis.

For the record I would appreciate your approval for the submission of my formal statement and a statement from the Utah Water and Power Board by its director Mr. Jay R. Bingham.

Mr. CANNON. They will be made a part of the record.

(The statements referred to follow:)

STATEMENT BY GOV. GEORGE D. CLYDE

Mr. Chairman and members of the committee, as Governor of the State of Utah I am happy to join with my fellow Governors from the States of Colorado, New Mexico, and Wyoming in enlisting your continued support of the Colorado River storage project. I would like to call your attention to matters pertaining to my own State and, because this is a project which goes beyond State lines, and involves the development of one of our great western resources, I should also like to comment on some of the overall aspects of this project.

The States of Colorado, New Mexico, Wyoming, and Utah have long worked for the development of the upper Colorado River, and have, with the consent and approval of the Congress, formed the Upper Colorado River Commission to represent the interests of the four States, and the Federal Government. I am privileged to serve as Vice Chairman of the Commission.

We are mindful of the responsibilities of this committee, and the many requests you receive. I want to assure you that I have never recommended the appropriation of one cent of money without the conviction that the expenditure would be a wise investment of public funds. Consistent with this policy, I recommend that your committee give again this year thoughtful consideration to the appropriation needs of one of the great public works of our time. After a lifetime of professional activity in this field, I can and do certify to you that this is a most worthy and beneficial project, and that the funds invested by the Federal Government in the construction of this resource development will be repaid directly. In addition, the economy of this Nation will be benefited indirectly many times over by reason of the new wealth and income created.

SOUND DEVELOPMENT PROGRAM NEEDED

I need not remind you men that we face a great challenge. We must meet the growing needs of our expanding population, and keep our Nation strong to meet the competition in growth and progress of a Godless ideology. I do not propose that we engage in an hysterical program of development. What we need is a sound, orderly, and progressive development program which, over the long pull, will bring the greatest opportunity and strength to our Nation. The Colorado River storage project is such a development, as you have recognized by your favorable considerations in past years.

CONSTRUCTION STATUS OF STORAGE UNITS

Work is now underway on three of the large storage units of the Colorado River storage project. These storage units harness the Colorado River and, by regulation, provide vital water and power. At Glen Canyon, in northern Arizona, work has now resumed after a deferment for labor-contractor negotiations. The cofferdams and diversion tunnels have been completed. Excavation is underway to bare the bedrock foundation. It is anticipated that work can begin on the placing of concrete for the dam itself in July. The Glen Canyon unit is nearly one-third complete.

At Flaming Gorge, in northeastern Utah, work is progressing in an orderly way. Diversion of the river has been accomplished. Work during the next construction season will see the placing of concrete in the foundation of this thin arch dam. At Navajo, in northern New Mexico, work is ahead of schedule on the construction of this giant earth-fill impounding dam. At present this large earth-fill dam is almost one-half completed. The dam will impound water for an increasing Navajo Indian population.

Construction of the Curecanti storage unit in Colorado, on the Gunnison River, can be started during the next fiscal year.

CONSTRUCTION STATUS OF PARTICIPATING PROJECTS

Construction is underway on the participating projects which deliver the water to our farms and cities.

In Colorado, the Paonia participating project is nearly 40 percent complete and will be completed in 1961.

In my own State of Utah, the Vernal unit of the central Utah project is 25 percent complete. The Stanaker Dam now under construction will be finished by January of 1961, and the entire Vernal unit by 1963.

The Hammond project in northwestern New Mexico will get underway soon.

In Wyoming, the Seedskadee project is nearly ready for construction to begin.

Colorado's Smith Fork project will be under construction by August.

The Emery County project in Utah will be completely planned by June of 1961, and will be ready for construction appropriation at that time.

ADVANCE PLANNING FUNDS

Funds to complete field engineering and detailed plans are essential to keep this systematic development on schedule. The budget request item for advance planning of $938,000 should be increased by $175,000. The increase should be allocated to the Lyman project in Wyoming, and the central Utah project in Utah. An increase of $25,000 for the Lyman project would accelerate the completion of the definite plan report by 6 months. An increase of $150,000 in advance planning funds for the central Utah project would make a better balanced planning program and would make it possible to complete the report in 1963.

GENERAL INVESTIGATION FUNDS

I strongly urge an increase of $220,000 in general-investigation funds. The increase should be allocated as follows:

General investigations (region 4)

Project	State	President's budget request	Recommended increase
Animas-LaPlata	Colorado	$130,500	$50,000
Bostwick Park	do	5,000	
Dallas Creek	do	79,000	57,000
Dolores	do	119,000	
Fruitland Mesa	do	5,008	
San Miguel	do	30,000	50,000
West Divide	do	92,360	33,000
Completing minor reports		1,500	
Bear River (lower)	Utah	133,000	30,000
Total		595,368	220,000

The increases in general investigations funds will not increase the ultimate cost of investigation, but may, because of more efficient operations and reduced time, decrease the total cost.

Experience has proven the value of completing plans in advance of construction. This added appropriation request would serve to efficiently and expeditiously investigate the authorized participating projects.

APPROPRIATION REQUESTS

I wish to endorse the appropriations recommended in the President's budget message for construction of the storage units and participating projects of the Colorado River storage project for fiscal year 1961, which are:

Glen Canyon storage unit	$35,535,000
Flaming Gorge storage unit	12,000,000
Navajo storage unit	11,776,000
Curecanti storage unit (Blue Mesa)	1,400,000
Total for storage units	60,711,000
Paonia participating project	903,000
Vernal unit, central Utah participating project	2,189,000
Hammond participating project	1,300,000
Smith Fork participating project	1,500,000
Seedskadee participating project	5,000,000
Florida participating project	750,000
Total for participating projects	11,642,000
Total	72,353,000

The total of $60,711,000 for construction of storage units when augmented by an $18 million carryover from Glen Canyon will provide for the orderly and efficient construction of the Glen Canyon, Flaming Gorge, Navajo, and Curecanti storage units during the coming fiscal year. Likewise, I specifically endorse the request of $11,642,000 for the construction during the fiscal year on the Paonia, Vernal unit, Hammond, Smith Fork, Seedskadee, and Florida participating projects.

TRANSMISSION LINES

I agree with the recommended amount of $518,000 for studies and consultations on transmission lines, and would endorse your action in providing an appropriation to begin construction of only those transmission facilities which are jointly recommended by the Department of the Interior, the preference cus-

tomers, and the utilities of the area. I understand that such agreement has been reached with respect to the lines from Flaming Gorge to Oak Creek, Colo., and from Glen Canyon to Poncha, Colo. In this connection, I should like to emphasize that the planning of the transmission systems, and the appropriations to carry out the plans, should be in strict harmony with the legislation enacted by the Congress, which directed that duplicating transmission systems should not be constructed. The power rate which is finally arrived at should include, as was the expressed intent of the Congress, a component to assist in the repayment of the irrigation allocation. The component should be adequate, when added to the money paid by the irrigators, to repay project costs in the specified period.

WEBER BASIN AND PROVO RIVER PROJECT

I urge the appropriation of $8,283,000 for continued construction of the partially completed Weber Basin project in my State. This project will aid in meeting water requirements imposed on the northern part of Utah as a result of concentrated missile development.

The completion of the Provo River project will require $825,000 for fiscal year 1961.

DIXIE PROJECT

I urge your approval of an item of $30,000 for completion of a report on the Dixie project in southern Utah. This project has been under study for more than a quarter of a century, and shows a very favorable benefit-cost ratio.

CONCLUSIONS

I wish to compliment the U.S. Bureau of Reclamation for its dedicated interest in planning and constructing water conservation projects. Largely through its efforts, construction is progressing within estimated costs in an efficient manner. They have cooperated effectively at State and local levels.

Representatives of the Department of the Interior are consulting with the many interested parties on power market and transmission determinations, and on the establishment of criteria to govern the initial operation of the storage units. I am confident that satisfactory agreements will be reached on these problems.

The appropriation request for the Colorado River storage project and participating projects for fiscal year 1961 is somewhat less than new funds appropriated for fiscal year 1960.

I urge your favorable consideration of Colorado River storage project appropriation requirements. Spending a lesser amount this year will in no way reduce the cost of the project but it will postpone the day when we shall begin to realize the return on our investment.

STATEMENT OF JAY R. BINGHAM, EXECUTIVE DIRECTOR, UTAH WATER AND POWER BOARD

Mr. Chairman and members of the committee, my name is Jay R. Bingham. I am the executive director of the Utah Water and Power Board, and present this statement at the direction of, and with the approval of, the board.

The Utah Water and Power Board consists of 14 members regularly appointed, and the State engineer who serves as an ex officio member. The members of the board are men of dedication and experience representing all areas of the State. The board has been charged by statute—"* * * to provide for the construction of conservation projects which, in the opinion of the board, will conserve and utilize for the best advantage of the people of this State the water and power resources of the State" (Water and Power Board Act, 1947).

The board, together with the Governor, represents the State in interstate water matters, and in this connection has cooperated with State and Federal agencies on the basinwide plans for utilization of the waters of the upper Colorado River. The board also administers a State financial program of water conservation development.

FUTURE REQUIREMENTS

The State of Utah is experiencing, along with the rest of the Nation, a vigorous population growth. The projected population for Utah, for the year 1980, is 1,600,000 or an 81.5 percent increase over the present population. This inevitable increase in population will create a correspondingly increased food requirement. We have been astounded to realize that with the completion of the Colorado River storage project, and with the full production of all Utah lands served by the project, the new production would be only 10 percent of the 1975 total projected food requirement, and only 21 percent of the expected increase.

STATE ACCOMPLISHMENTS

In an effort to help meet the needs of an expanding population, bolster an inadequate agricultural water supply, and slake the thirst of industry, a program administered by the Utah Water and Power Board has, since 1947, constructed 133 small water conservation projects within the State. The total cost of these projects is in excess of $6.3 million. State funds in the amount of $4.5 million have been made available through appropriations to a revolving fund. Project sponsors have contributed, initially, $1.8 million toward the construction of these projects. The accomplishments of these projects, like the Federal reclamation program, are heartening, and have proved to be one of the most worthwhile activities of the State. No project undertaken by the board has ever failed to meet its repayment schedule. Some projects have completely repaid ahead of schedule. The projects have provided new storage capacity, or an annual savings of water equal to 174,000 acre-feet. This water has been applied to 343,000 acres of land needing a supplemental supply, and has formed a total supply for 19,700 acres of land. This State water conservation program complements the Federal reclamation program and the small Reclamation Projects Act. Generally, the State effort is directed to projects too small for the Federal programs.

The board is responsible for coordinating its activities with other programs to assure the most beneficial utilization of our limited water supply.

COMPREHENSIVE PLANNING

We in the State of Utah have long realized the need for a comprehensive plan of development, and a coordinated effort to accomplish the plan. The concern of the Congress in this field has been expressed in many ways.

Inasmuch as water is our most important and limited resource, the use of project power revenues to assist in repaying the costs of water development is a sound and noteworthy principle. The board has confidence that the Secretary of the Interior will designate the power market area, provide transmission facilities and establish power rates in such a manner as to carry out the intent of the Congress and to provide the maximum revenues for water development.

NATIONAL INTERESTS

From the time of early settlement, Utahans have been industrious and proud of their ability to care for their own needs. We still cherish and practice this pioneer tradition. However, we would like to point out that the Federal Government has a responsibility and interest in the development of the resources of our State, primarily because of their large landholdings. It is not well known that 72 percent of the State of Utah is in Federal ownership.

Comparison of federally owned area in Upper Colorado Basin States with total area of 9 Eastern States

State	Percent Federal	Total area [1]	Federal area [1]
Colorado	38	104,247	39,614
New Mexico	45	121,666	54,750
Wyoming	52	97,914	50,915
Utah	72	84,916	61,140
Total, 4 States		408,743	206,419
New York		49,576	
Pennsylvania		45,333	
Ohio		41,222	
Indiana		36,291	
New Hampshire		9,304	
Massachusetts		8,257	
New Jersey		7,836	
Connecticut		5,009	
Rhode Island		1,214	
Total, 9 States		204,042	
Continental U.S.		3,022,387	

[1] Square miles.

Our sister States in the Colorado River development are similarly situated. Wyoming is 52 percent under Federal ownership, New Mexico 45 percent, and Colorado 38 percent. The total area of Federal lands in the four States is in excess of 206,000 square miles, thus representing more than one-fifteenth of the area of the continental United States. In the four States the Federal lands are, in fact, larger in area than the combined total areas of the States of New York, Pennsylvania, Ohio, Indiana, with Massachusetts, New Hampshire, New Jersey, Connecticut, and Rhode Island thrown in. This large Federal ownership limits tax revenues normally available. The U.S. Government realizes, on the other hand, considerable income from the Federal lands within the borders of our States. The Congress has wisely provided that a certain percentage of the revenues from public lands be credited to the reclamation fund. These accretions to the reclamation fund from the sale of public lands and the proceeds from the Oil Leasing Act from the States of Colorado, New Mexico, Wyoming, and Utah, amounted to a total of $31,599,551.27 for fiscal year 1959. This contribution represented 68 percent of the accretions from the entire United States to this fund.

Accretions to reclamation fund from sale of public land and proceeds from oil leasing act

Colorado	$5,508,015.09	$59,061,226.00
New Mexico	$6,371,832.07	$62,774,234.37
Utah	$3,292,799.17	$25,201,465.72
Wyoming	$16,426,904.94	$169,552,329.27
Total 4 States	$31,599,551.27	$316,589,255.36
Percent	68	55
Total United States	$46,538,540.61	$577,875,458.78

This significant contribution to the reclamation fund is more than 2½ times the appropriation request for the construction of irrigation features of the Colorado River storage project in fiscal year 1961. Thus $11.6 million would seem a wise and modest investment in the development of a renewable resource.

APPROPRIATION REQUESTS

Construction funds

The board wishes to endorse the position taken by Governor George D. Clyde in support of the President's budget request for 1961, for the storage units and participating projects of the Colorado River storage project.

Glen Canyon storage unit	$35, 535, 000
Flaming Gorge storage unit	12, 000, 000
Navajo storage unit	11, 766, 000
Curecanti storage unit (Blue Mesa)	1, 400, 000
Studies and consultations on transmission lines	518, 000
Total for storage units	61, 229, 000
Paonia participating project	903, 000
Vernal unit, central Utah participating project	2, 189, 000
Hammond participating project	1, 300, 000
Smith Fork participating project	1, 500, 000
Seedskadee participating project	5, 000, 000
Florida participating project	750, 000
Total for participating projects	11, 642, 000

The total of $60,711,000 for construction of storage units, when augmented by a $18 million carryover from Glen Canyon, will provide for the orderly and efficient construction of the Glen Canyon, Flaming Gorge, Navajo, and Curecanti storage units.

The board likewise supports the requests for the Weber Basin project and the Provo River project, as follows:

Weber Basin project	$8, 283, 000
Provo River project	825, 000

Advance planning

The need for adequate funds for advance planning is essential to orderly and efficient development. Your special consideration of the following items is solicited:

Lyman project, Wyoming	$212, 000
Central Utah project, Utah	560, 000
Emery County project, Utah	110, 000

General investigations

We recommend increases in general investigation funds to advance the date of completion of reports. No additional ultimate cost is involved. In fact, completion of reports sooner may result in savings. Our recommendations follow:

Animas-La Plata, Colo	$180, 000
Dallas Creek, Colo	136, 000
San Miguel, Colo	80, 000
West Divide, Colo	125, 000
Bear River, Utah	163, 000
Dixie, Utah	30, 000

Transmission lines

The board would favor an additional appropriation for fiscal year 1961 to begin construction of transmission facilities to carry initial generations at Flaming Gorge and Glen Canyon to load centers. The logical systems to include in this initial transmission construction would be the Flaming Gorge-Vernal-Oak Creek, and Glen Canyon-Farmington-Poncha segments. According to published reports, there is agreement on Federal construction of these facilities by the utilities and preference customers.

SMALL RECLAMATION PROJECTS ACT

The Utah Water and Power Board urges your favorable action on appropriation requests for continuance of the Bureau of Reclamation small projects loan program. This program fills a gap in activities of State agencies and the large comprehensive reclamation projects. This program, administered by the Bureau of Reclamation, gives local control, reduces overhead, and provides for development of projects which are beyond the financial ability of State programs.

RAINBOW BRIDGE

The board recommends that appropriations to construct protective facilities for the Rainbow Bridge National Monument be deferred. When water is im-

pounded behind Glen Canyon Dam, access to the area for construction will be greatly facilitated.

RECLAMATION PROJECTS PAY FOR THEMSELVES

Water conservation constitutes one of the soundest investments made by the Federal Government. The Federal participation in basic resource development is amply justified by the returns, not only by the repayment on the original investment, but in the added tax revenues which accrue to the Federal Treasury through the life of the project.

PROGRESS

The long-awaited development of the Colorado River storage project is well underway. To this point, construction is on schedule and well within estimates.

The Bureau of Reclamation is to be complimented on its cooperative and effective procedure. The remaining problems, we are confident, can be resolved by thorough study, consultation and adherence to the guiding principles of the Congress.

CONCLUSIONS

The best interests of our State and the Nation will be served by continuing to completion this development on the efficient level now in progress. The providing of adequate funds for construction will be a wise action of your committee.

Governor CLYDE. For your information I would like to hand each of you a progress report of this project to date which you might look at.

Thank you very much for this opportunity to appear before you.

Mr. CANNON. Thank you, Governor. You have given us a very interesting presentation. Congressman Dixon, do you care to make a statement?

STATEMENT OF REPRESENTATIVE HENRY A. DIXON, UTAH

Mr. DIXON. I ask unanimous consent to submit remarks for the record.

(The statement follows:)

STATEMENT OF HON. HENRY ALDOUS DIXON

My name is Henry Aldous Dixon, Congressman from the First District of Utah. I appreciate the opportunity of appearing before this subcommittee on behalf of appropriations for the Colorado River Storage Project and participating projects and for other reclamation projects within my State.

I am especially pleased that this year I can, in general, lend all-out support to the President's budget request for reclamation purposes. In the President's budget request of January 18, 1960, there were recommendations for funds for the various storage units and participating projects as follows:

Storage units:	
Glen Canyon	$35,535,000
Flaming Gorge	12,000,000
Navajo	11,776,000
Curecanti	1,400,000
Participating irrigation projects:	
Vernal Unit of Central Utah	2,189,000
Paonia	903,000
Smith Fork	1,500,000
Hammond	1,300,000
Seedskadee	5,000,000
Florida	750,000
Other budget items:	
Transmission Lines	518,000
Advance Planning	938,000
Subtotal	73,809,000
Less anticipated reductions	2,209,000
Total to be appropriated to the upper Colorado River Basin fund	71,600,000

At the time the President submitted his budget request to Congress in January it was anticipated that there would be a carryover of about $18 million as a result of the strike at Glen Canyon during the last half of calendar year 1959. Subsequently the President determined that the contractor would be unable to accomplish sufficient work to earn the entire sum apportioned in the budget for fiscal 1961 and in a supplemental budget message reduced the amount allowed to Glen Canyon Dam and Reservoir by $8.5 million.

Even with the $8.5 million reduction for Glen Canyon, the amounts for continuing construction of going projects appeared to be sufficient to maintain economic rates of progress, and should be allowed in full by this subcommittee.

It is indeed stimulating to see included in the budget request items for initiating the construction of six "new start" reclamation projects, two of which are located in the upper Colorado River Basin. These are the Curecanti storage unit on the Gunnison River in western Colorado and the Florida participating project in southwestern Colorado. I have always supported the idea that several new reclamation projects should be started each year in order to provide the necessities of life for our expanding population and to keep our standard of living in this country at a high level. Our reclamation program must continue to be progressive if it is to contribute its vast benefits to American civilization.

It is with regret that I have observed that the budget request does not provide adequate funds for general investigations and advance planning programs. There is no way for me to determine the breakdown of the $4,650,000 recommended for the entire general investigations program of the Bureau of Reclamation. This sum is certainly far too small. The overall sum for general investigations should be increased to such an amount that a minimum of $1 million could be allocated each and every year for the investigation of projects in the upper Colorado River Basin. This year, there is an $8.5 million reduction in construction funds for the Glen Canyon storage unit. Why not take $400,000 of this savings and add it to the $600,000 we now have to give us the $1 million we need for projects not yet authorized?

I recommend to this subcommittee that it give careful consideration to this proposal in order to keep the reclamation program on a progressive and sound basis.

You will note that there is a budget item of $938,000 for advance planning, leading to the preparation of definite plan reports on participating projects in the Upper Colorado Basin. Two of these projects upon which advance planning should be materially accelerated in fiscal 1961 are located within my own State of Utah. These are the Emery County project and the remaining portions of the central Utah project. It seems somewhat doubtful that the $918,000 will be sufficient to make as rapid and economic progress in the advance planning of these two projects as my constituents feel should be made. The Emery County project is a small, badly needed irrigation project in an economically depressed area. Its construction will bolster the economic level of the area and directly raise the standard of living of many Utah citizens. A definite plan report for the Emery County project must be completed in sufficient time so that its construction can be initiated not later than fiscal 1962. I wish to recommend that sufficient funds be earmarked by this subcommittee to accomplish these results.

Advance planning money is not included in the appropriation for general investigations.

The advance planning activities on the central Utah project, a multiple-purpose project consisting of irrigation, municipal water and power generating components, have been far too slow in recent years.

I wish to recommend that the appropriations for advance planning in the President's budget request be increased by $400,000, earmarked for planning for the central Utah project in addition to this project's share of the $938,000 in the budget. The $400,000 could also very well come from part of the $8.5 million reduction in the funds for construction of Glen Canyon Dam. In this way the overall sum advanced in the original budget request would not be exceeded, and a small part of the money would be put to very beneficial and constructive reclamation use.

During the past year considerable interest has developed in the system of transmission lines for distribution of hydroelectric power to be generated by the storage units of the Colorado River storage project. The private utilities and preference users of the Upper Colorado Basin States and the U.S. Bureau of Reclamation are devoting large amounts of time and effort to this problem. The Secretary of the Interior has not yet declared the power market area

within which the project power will be sold and distributed. Until this is done, decisions regarding the extent and type of transmission system and its costs and the determination of power rates seem almost impossible. However, it appears that in the plans of all of the above-mentioned parties who are studying problems of transmission lines, there are several parts of the transmission system that are not controversial. Two of these segments of transmission line run from Glen Canyon to Farmington, N. Mex., and from Flaming Gorge to Oak Creek, Colo. It is also evident that if there are to be lines ready for distribution of power as soon as the generators at Glen Canyon and Flaming Gorge are capable of producing electrical power, construction of transmission lines must be initiated as soon as possible. It therefore seems advisable that your subcommittee and the Congress should give serious consideration to earmarking $2 million to $5 million for starting the construction of Glen Canyon to Farmington and the Flaming Gorge to Oak Creek transmission lines.

This subcommittee at this point is fully aware that I am vitally interested in the Colorado River storage project and participating projects discussed above. I also wish to remind this subcommittee that I am just as vitally interested in other projects in my State of Utah, and I believe that Congress should appropriate the funds requested in the President's budget for the Provo River project, $825,000, and the Weber Basin project, $8,283,000.

The multiple purpose Weber Basin project is in north-central Utah close to my home. It was authorized for construction by the act of October 29, 1949 (63 Stat. 677). Construction was started in 1952. The project will supply irrigation water for about 54,000 acres of new land and a supplemental supply for about 24,000 acres of land presently inadequately irrigated. Forty thousand acre-feet of water will be provided for municipal uses. About $29,500 acres of waterlogged land will be reclaimed. Nineteen thousand five hundred acres of irrigation land will be improved. Other benefits from the project include flood control, fish and wildlife propagation, recreation, and mosquito abatement. The estimated total construction cost is about $73.5 million. The project has a benefit in cost ratio of 2 to 1, making it particularly desirable from their standpoint.

The $8,283,000 appropriation requested for fiscal 1961 should provide for continuing construction work on the Willard Dam and features associated with the Davis aqueduct. Construction work is expected to begin on the Willard Canal and three Willard pumping plants. The Bureau of Reclamation's 1961 program provides for design and preconstruction work and the purchase of rights-of-way necessary prior to the beginning of construction in fiscal 1962 of the Layton Canal and pumping plant. The Bureau also plans to undertake construction of the Ogden Valley pumping plant and Oakley producing wells for developing water supplies for project lands upstream from Pine View and Wanship Dams.

I also wish to lend my support to the budget request for $18,437,000 for the loan program of the Bureau of Reclamation. Loans in this category are made to local organizations for the development of small projects. Two of these projects expected to be started in fiscal 1961 are located in Utah. My support of this program places special emphasis on the loans to be made to the Weber Box Elder Conservation District and to the Haights Creek Irrigation Co. that require loans of $302,000 and $212,000, respectively.

In view of the fact that I have definitely determined that I will not return to the U.S. Congress next year, this may be my last appearance before this subcommittee. I wish at this time to thank you for your past kind consideration of the problems I have placed before you and the wonderful cooperation that you have consistently displayed to me and to my State of Utah. Thank you more especially for the opportunity afforded to me to present this statement on behalf of the Colorado River storage project, other projects, and the people of my State.

I would like to endorse what Senator McGee, Governor McNichols, Mr. Reynolds, and Governor Clyde had to say.

Briefly, I would like to request out of this $8 million which is in the budget but was not expended we take $400,000 for a study of projects not yet authorized, and $400,000 for advance planning on projects that are authorized. That would be $800,000 for these two purposes.

Mr. CANNON. Of course, you understand, Congressman Dixon, that anything that is not authorized is completely out of the picture. This

committee cannot spend a dollar unless it has been authorized. A very strong case has to be made when we go above the budget.

Mr. DIXON. This is for planning only.

Mr. CANNON. We are glad to have your suggestions.

Mr. DIXON. You see, there is $8 million saved and if we could take $800,000 of that just for this planning it would be a wonderful thing for the project.

Mr. CANNON. The committee is bound by very rigid rules.

Mr. DIXON. I am not running again for office but before I leave Congress I desire to take this opportunity to thank you gentlemen for your vision in many instances and especially in this Colorado project, and also for the support that you gave us in passing it. It is going to be a blessing and I am sure all your lives it is going to be a source of pride to you.

Mr. GOSLIN. Mr. Chairman, thank you very much for allowing the appearance of our representatives here.

Mr. JENSEN. I am pleased to hear these gentlemen today. Like many other members of the committee I want to thank all of you. I have been greatly interested in this great development on the upper Colorado River. It has been my pleasure to travel over this great area on several occasions to see the great need for the development of this area.

I can assure you that every member of the committee has in the past taken a fair position on everything pertaining to your area. You have great need for the water that will be held up in the upper reaches of the Colorado River Basin. There are, of course, some people lower down the river that we feel sometimes take the position the water belongs to them. I can assure you that the committee feels that you people in the areas you represent are entitled to your fair share of that water, and the committee has seen to it that you get your just dues.

I was especially interested in the statement from the gentleman from New Mexico. I have in the past visited many projects in New Mexico. It happens that one time I had four brothers living there and they would explain to me the great need for more river development. So I can only say the request which you gentlemen make, over and above the budget, will be considered. As the chairman says we are not supposed to appropriate anything that is not authorized, but once in a while we do get a little ambitious and go beyond the scope of our authority. I think that is a fair statement. I would say—do not expect it.

Mr. CANNON. I might say that the extraordinary situation under which you receive in 2 months 50 percent of your waterfall makes this an unusual situation.

Mr. GOSLIN. Mr. Chairman, we thank you. That concludes our presentation.

Mr. CANNON. Thank you, Mr. Goslin.

MONDAY, APRIL 11, 1960.

UPPER COLORADO RIVER STORAGE PROJECT

WITNESSES

HON. JOHN J. RHODES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA
HON. BERT BROWN, MAYOR OF MESA
LEROY KELLIS, COUNCILMAN, CITY OF MESA
BERT FREESTONE, COUNCILMAN, CITY OF MESA
LEE MUMFORD, COUNCILMAN, CITY OF MESA
HON. CHARLES W. KIRTLAND, MAYOR, CITY OF SAFFORD
PAUL POWERS, COUNCILMAN, CITY OF SAFFORD
A. VAN WAGENEN, PRESIDENT, ARIZONA MUNICIPAL POWER USERS ASSOCIATION
OAKLEY JORDAN, MANAGER, ARIZONA MUNICIPAL POWER USERS ASSOCIATION
V. I. CORBELL, PRESIDENT, SALT RIVER PROJECT
FLOYD N. SMITH, DIRECTOR, SALT RIVER PROJECT
JOHN HOOPES, DIRECTOR, SALT RIVER PROJECT
R. J. McMULLIN, GENERAL MANAGER, SALT RIVER PROJECT
L. M. ALEXANDER, ASSISTANT GENERAL MANAGER, SALT RIVER PROJECT
E. K. CARPENTER, MANAGER, RATE DEPARTMENT, SALT RIVER PROJECT

Mr. CANNON. Congressman Rhodes.

Mr. Rhodes is a member of this committee, a very influential member of this committee.

Mr. Rhodes, will you have a seat at the table with us? I will ask you to recognize the witnesses in their turn.

Mr. RHODES. Mr. Chairman, I want to thank you for this opportunity. Looking around the room, I do not know who is left in Arizona because I think about half the people are right here. This indicates the importance of this matter to our State.

I might say also that one of the gentlemen who just testified was also a very valuable constituent of mine, Mr. Lucking.

The gentleman who will now testify will not necessarily agree with the position Mr. Lucking took, Mr. Chairman, which, as you know, is one of the crosses we Members of Congress have to bear. At the same time, the gentlemen all agree, as I do, that Arizona is a power-hungry State. We need our just share of power from the upper Colorado system and I want to make sure that somebody, either private or public, builds lines with enough capacity so that we can get whatever amounts of power which are allocated to our State from the great

project to be built in Arizona on the Colorado River. With that preface, I would like first to introduce, Mr. Chairman, the representatives from my own hometown, the city of Mesa, and have each stand to be recognized: Mr. Bert Brown, mayor of Mesa and three councilmen, Mr. Leroy Kellis, Mr. Bert Freestone, Mr. Lee Mumford; and from the city of Safford, we have the mayor, Mr. Kirtland, and Mr. Powers, a councilman; and from the Salt River project we have Mr. Vic Corbell, president, Mr. Lloyd Smith, a director, Mr. John Hoopes, a director, Mr. R. J. McMullin, general manager, and Mr. E. K. Carpenter, manager of the rate department; and, we also have the president and the manager of the Arizona Municipal Power Users Association, Mr. A. Van Wagenen, and Mr. Oakley Jordan. Mr. Chairman, time was allotted by the committee to Mr. Corbell and to Mr. Van Wagenen, but they have asked the permission of the committee to yield their time to Mr. L. M. Alexander, who is the assistant general manager of the Salt River project, who will speak for the group.

Mr. CANNON. Mr. Alexander, will you come to the table?

Mr. ALEXANDER. I have a chart to talk from, Mr. Chairman, and I wonder if I can talk from the easel?

Mr. CANNON. Certainly.

STATEMENT OF MR. L. M. ALEXANDER

Mr. ALEXANDER. Mr. Chairman and members of the committee, my name is L. M. Alexander. I am representing Mr. Victor I. Corbell, president of the Salt River project, at Phoenix, Ariz.

Our project, as a major multipurpose reclamation project, is a preference power user in the Colorado River Basin. We are interested in the early construction of an adequate and economic transmission system from Colorado River storage project powerplants into Arizona and the other four States within the storage project area. We also have a vital stake in obtaining storage project power at the lowest possible cost.

I respectfully ask that I be permitted to file with this committee Mr. Corbell's statement of our thinking in this matter.

Mr. CANNON. It will be included in the record.

(The statement appears on p. 959.)

Mr. ALEXANDER. Mr. Corbell's summary statement states in part:

The Congress has directed that, in marketing storage project power, preference laws must be complied with, and project repayment and consumer power rates must not be adversely affected. We believe these standards can only be met by the type of Federal transmission system Mr. McPhail, our representative from the Kuljian Corp., has set out for you earlier today. Such a system was authorized by the Congress under Public Law 485.

Bureau of Reclamation rates for such an all-Federal system will be at a level sufficient to pay out power features and other obligations of power revenues within specified times—in fact, power revenues will pay 91 percent of the total cost of this tremendous water and power project.

We have prepared a chart to demonstrate the adverse effect the utilities' counter offer, of a combination private and Federal transmission system, will have on project repayment and consumers' power rates.

Gentlemen, this chart is designed to show the effect on the storage project of the things I just mentioned. The left-hand scale is a scale showing hundreds of millions of dollars. The graphs are drawn to this scale. The first graph represents an all-Federal system. It shows that with project power delivered at 6 mills per kilowatt-hour that there will be produced the required irrigation assistance of over $1 billion in the 100 years of the storage project. As I said this graph represents an all-Federal system.

The next graph shows a combination system, consisting of a Bureau investment of $41 million and a utility investment of $105 million. We increased the original utility investment in order to provide transmission capacity sufficient to take power into Arizona. We believed preference laws would require this to be done. Therefore there is a total investment in a combination system—making its capability comparable to the all-Federal system.

This graph shows that if power is delivered at the same 6 mills per kilowatt-hour, utility wheeling reduces required irrigation assistance—the same required irrigation assistance as is shown on the first graph—by $637 million, and water projects are more than sliced in half.

How can we restore required irrigation assistance to what the all-Federal system will provide, that is $1 billion? Well, you can do it by increasing the rate and the consumers costs as shown on the right-hand graph. That is adding the extra utility wheeling costs on top of required irrigation assistance. What does it do? It requires that power consumers costs will be increased by 1.3 mills per kilowatt-hour for over 100 years, totaling $637 million over their costs under an all-Federal system.

We can conclude from this chart if utility wheeling charges are set at levels commensurate with the utilities' full costs of providing such service, their proposal will, in effect, be saving the Federal Government a $90 million investment at the expense of power consumers who will pay $637 million more for storage project power.

Even if utility wheeling charges are cut in half power consumers will pay some $119 million more for their power than they would from an all-Federal system.

The committees of Congress have said it was not their intention that consumer power rates should be so adversely affected.

Mr. Corbell's statement further says of the utilities' proposal, "in addition, the Government would be denied revenues from diversity wheeling essentially equal to the investment the utilities offer to save the Government," an investment they hope to make to reap the benefits from the Government's billion-dollar project.

Gentlemen, we believe a decision during this session of Congress is essential, since any further delay will not provide sufficient time for planning and construction. We therefore respectfully urge this committee to—

1. Take action to secure the appropriation of $5 million in fiscal year 1961 to start construction of the Flaming Gorge to Oak Creek and Glen Canyon-Farmington-Curecantic lines, which all agree should be constructed by the Bureau of Reclamation.

2. Instruct the Secretary of the Interior and the Bureau of Reclamation to:

(*a*) Proceed in fiscal year 1961 with plans, right-of-way acquisition, surveys, and designs for the lines to Phoenix, to Farmington-Albuquerque, and to Provo-Vernal, all from Glen Canyon, and from Flaming Gorge to Sinclair, Wyo.

(*b*) Program and budget future line construction in an orderly manner and as required to insure that facilities will be in service in time to deliver power to the market when powerplants are complete.

(*c*) Make early determination of the marketing area and the price of power—and announce same.

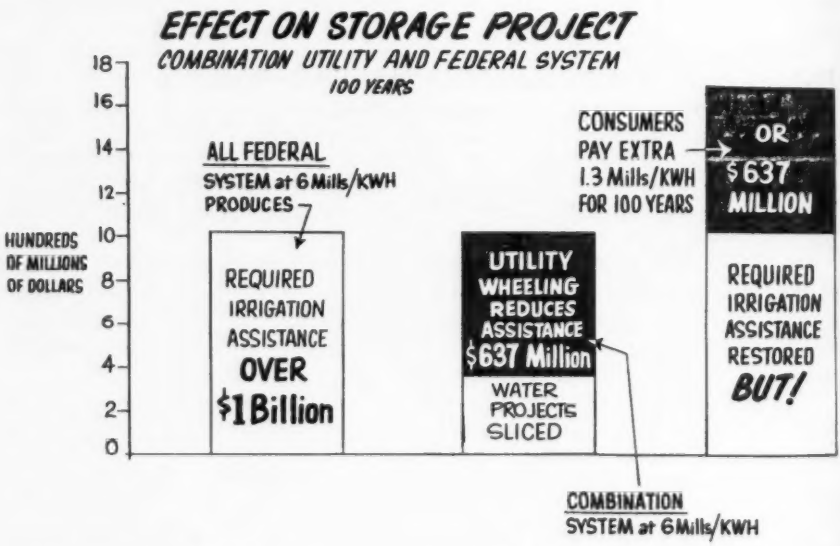
Gentlemen, thank you very much for this opportunity to present our thinking to you.

Mr. CANNON. Thank you.

That is one of the most illuminating charts I think I have ever seen. I wonder if you could supply the committee with a photographic negative of it so that we could include it in the hearings?

Mr. ALEXANDER. I will, sir.

(The chart referred to follows:)



Mr. CANNON. I think the committee and the Congress will benefit from it. Thank you.

Mr. RHODES. May I ask permission that the statements of Mr. Van Wagener and Mr. Corbell be printed in the record?

Mr. CANNON. They will be printed in the record at this point.

(The statements referred to appear on pp. 959–963.)

Mr. RHODES. I thank the committee and members for giving us this opportunity to present this matter, Mr. Chairman. That is all we have, sir.

Mr. CANNON. Thank you, Mr. Rhodes.

We much appreciate your cooperation.

At this point I will include the statement of Congressman Udall of Arizona.

(The statement follows:)

STATEMENT OF REPRESENTATIVE STEWART L. UDALL

Mr. Chairman, I appreciate the privilege extended to me to file this statement.

Representatives of the preference users of the Upper Basin of the Colorado River and of my own State of Arizona are unitedly supporting a proposal for construction of the basic transmission lines by the Bureau of Reclamation. It is essential that a start be made this year on the first portion of this system in order to be able to market power which will become available in 1964. These lines are noncontroversial. Both preference users and the private utilities agree that these are lines which must be constructed by the Bureau.

I wish to state that I fully support the cooperative plan which has been worked out between the preference users of the upper basin and my own State, which should be designated a market area for Glen Canyon Dam power.

Arizona, in which this dam is being constructed, is in an explosive growth stage and is in continual need for additional power. On the other hand, there is not an adequate market in the upper basin States for all the power which will be developed after 1964.

The present allocation of Colorado River power does not meet the needs of the preference users in my State, and we will be in a position to use surplus Glen Canyon power until the market is fully developed in the upper basin States.

Arizona has already had wide and favorable experience with a Federal transmission system to market power from the dams on the lower Colorado River. This system—operated by the Arizona Power Authority, a State marketing agency—has been a "middle way," benefiting both private and public utility systems.

At the proper time, lines built by the Bureau from the Colorado River storage project must be linked with those which now bring power into the central and southern part of Arizona from the Parker-Davis project in order to firm-up and increase the supply of power available to Arizona communities. Actual engineering should be started without delay on lines to be constructed beyond those requested as a starter for this basic system during the next fiscal year.

I urge that the committee, in examining the merits of this proposal, note the power-use potential in Arizona and the need to insure the earliest start on repayment of the cost of this vast project. I hope the committee will see fit to make adequate appropriations this year so that construction work can be commended.

STATEMENT OF VICTOR I. CORBELL, FISCAL YEAR 1961 APPROPRIATIONS—COLORADO RIVER STORAGE PROJECT

Mr. Chairman and members of the committee, my name is Victor I. Corbell. I very much appreciate the opportunity to appear before you today as president of the Salt River Valley Water Users' Association and the Salt River Project Agricultural, Improvement, and Power District. These two organizations are generally referred to as the Salt River Project, which was begun over 50 years ago as the first multipurpose water and power development constructed under the Reclamation Act of 1902. The water users now operate and maintain our project under contract with the Bureau of Reclamation, to serve water to 250,000 acres and power to over 300,000 people in central Arizona.

We, as preference power users of the Colorado River Basin, are greatly interested in the early construction of an adequate and economic transmission system from Colorado River storage project powerplants into Arizona and into the other four States within the storage project area. The basic, guiding principles for providing this transmission system—principles with which we thoroughly agree—have been clearly stated by the Congress, and carried forward in the actions of the Secretary of the Interior and the Bureau of Reclamation.

Committee report, House Document No. 1087, 84th Congress, expresses these principles:

"* * * Therefore, the Committee expects the proposal by the private power companies for cooperation in the development to be carefully considered by the Department of the Interior and the electric power and energy of the Project

to be marketed, so far as possible, through the facilities of the eletcric utilities operating in the area, *provided, of course, that the Power Preference Laws are complied with and Project repayment and consumer power rates are not adversely affected.*" [Emphasis added.]

These principles were enunciated by the Congress to promote the economic well-being and growth of the intermountain project area, without adverse effect on other portions of the United States. And they are principles which properly accord to those who are repaying over 90 percent of the cost of the gigantic storage project through the purchase of power, the consideration due them for undertaking such a responsibility for so long a time. The construction proposed by the utilities on October 1, 1959 does not meet these requirements of Congress.

MARKETING STORAGE PROJECT POWER

Storage project power in excess of the initial needs of preference consumers in Colorado, New Mexico, Utah and Wyoming can be absorbed immediately, at firm prices, by Arizona preference customers, who are willing to release power to the upper basin in the future under an agreed to formula. The Salt River project has joined other preference consumers in the five-State area to form the Colorado River Basin Consumers Power, Inc., which has advised the Secretary of its agreement to such a marketing arrangement.

The utilities have not proposed, nor indicated an interest in building, a transmission system which will provide for delivery of power to preference customers in any such manner.

STORAGE PROJECT REPAYMENT

Preference consumers have joined together to seek, under existing law, all project power at firm rates as soon as it is available. The utilities operating in the area have joined in an offer to absorb project power but they have not said they are willing to pay firm prices. The preference consumers' offer, with adequate Bureau transmission capacity to deliver, could thus enhance project development and payout. If the alternative is sales to the utilities, at steam replacement costs, of all energy not used by preference consumers in the upper basin, the project could lose as much as $50 million in potential revenue.

Also, with Bureau construction, an amount equal to the amortization component of transmission system cost can be applied to water development after the original cost of the system has been recovered, without change in consumer power rates, to yield over the full construction and repayment period as much as $204 million.

Conversely, without change in consumer power rates, the utilities' proposed combination system would reduce project repayment ability by $204 million.

CONSUMER POWER COSTS

Preference consumers need a greatly expanded supply of dependable low-cost electricity, not only for irrigation pumping but also for municipal purposes—in order to maintain reasonable power rates and to produce revenues from electric sales to meet rising costs of rapidly expanding irrigation, domestic and industrial water uses, and other municipal services.

Our own Salt River project is a good example of this reclamation principle at work. Irrigation and domestic water charges have remained at reasonable levels in this area only by reason of increasing electric revenues contributed by the project's power operations—the true fruition of the multipurpose reclamation concept.

Salt River is proof that such projects do enhance the economy. The original Federal investment of some $10 million has been fully repaid. In addition, in the 25-year period 1934–59, residents of Maricopa County (80 percent of whom reside on Salt River project lands) have paid to the Federal Government taxes exceeding $1 billion, possible only because of the local economy created and maintained by the Salt River project.

We do not need nor want a transmission system which has for its purpose only the extension of the Federal Government in the power business. We do want the system which will make all storage project power available to preference customers at the lowest possible cost. The utilities have offered to provide a major part of the storage project transmission, but they have not come forth with wheeling charges they might apply. If they make these charges in accord-

ance with usual ratemaking procedure, consumers power costs would be adversely affected—increased as much as $433 million over the Bureau costs for such service.

This is not all—if the utility combination system is built, the repayment ability of the project is dangerously reduced, as we noted earlier, by some $204 million. To keep the project whole, then, could necessitate an increase in power rates, over Bureau charges, of 433 plus 204 equaling $637 million, almost 1.3 mills/kilowatt-hours on all firm energy for 100 years. We understand this approach has actually been suggested by one of the utilities concerned.

The utilities will not be customers for storage project power. Thus they have no reason to build a transmission system to wheel power to preference customers, except to exercise control over the entire transmission network and to extract a profit from preference consumers for the benefit of nonresident shareholders. Preference consumers are repaying some 90 percent of the whole cost of the storage project as first proposed by the Bureau—why should they be asked to pay needless additional charges?

There are further considerations. It is of vital importance that the Bureau's 1,200,000-kilowatt storage project system and its 1,700,000-kilowatt Hoover-Parker-Davis system be electrically interconnected by a Bureau-controlled backbone transmission system. This backbone is essential to preserve the best combination of water levels to minimize power deficiencies to all concerned. Such an interconnection to be constructed, operated and maintained by the Secretary of the Interior, was ordered and authorized by Public Law 485, 84th Congress, 2d session. That interconnection can be enlarged to provide capacity for marketing storage project power in the Phoenix area of Arizona.

Finally, there will be increasing permanent use for these transmission lines in capacity interchange between Arizona and the systems to the north. An increasing percentage of Arizona's generating capacity is becoming idle in the winter, while a greater summertime surplus is growing in the other States. The ultimate power users, both preference and utility customers, would materially benefit by interchanging this diversity, especially at Bureau wheeling rates, and the added revenue could acce'erate project payout. Preference customer diversity interchange alone will provide revenues to the Bureau of from $60 million to $100 million. These revenues will be denied the Federal Government if the utility system is built.

SUMMARY

The Salt River project and other Arizona preference users have a major interest in securing power from the storage project, and a vital stake in obtaining that power at the lowest possible cost. The Congress has directed that, in marketing this power, preference laws must be complied with, and project repayment and consumer power rates be not adverse'y affected.

Bureau of Reclamation rates for an all-Federal system will be set at a level sufficient to payout power features and other obligations of power revenues within specified times—in fact, power revenues will pay 91 percent of the total cost of this tremendous water and power project. The utilities offer will—

(*a*) Decrease power revenues and adversely affect project repayment ability up to:

(1) $50 million—uti'ity power purchases at less than firm rates, and

(2) $204 million—Bureau payment of wheeling charges over what it can afford.

(*b*) Increase consumers' power costs over Bureau charges by $433 million.

(*c*) Decrease the Government's investment by some $90 million.

The project cannot stand decreased revenues so the utilities have spoken of an alternative:

(*a*) Adding the $204 million project repayment deficit under its plan to consumer power costs, and

(*b*) Increasing consumer power costs over Bureau charges by $433 plus 204 million, or $637 million. Because preference customers buy a'l the power, they pay all of the increased costs—1.3 mills per kilowatt-hour added to all firm energy for 100 years.

And in addition, the Government would be denied revenues from diversity wheeling essentially equal to the investment the utilities offer to save the Government—an investment to reap the benefits from the Government's $1 billion project.

A decision in this session of Congress is essential, since any further delay will not provide sufficient time for planning and construction. We therefore respectfully urge this committee to—

(1) Take action to secure the appropriation of $5 million in fiscal year 1961 to start construction of the Flaming Gorge-Oak Creek and Glen Canyon-Farmington-Curecanti lines, which the utilities agree should be constructed by the Bureau of Reclamation.

(2) Instruct the Secretary of the Interior and the Bureau of Reclamation to:

(*a*) Begin the construction of above lines.

(*b*) Proceed in fiscal year 1961 with plans, right-of-way acquisition, surveys, and designs for the lines to Phoenix, to Farmington-Albuquerque and to Provo-Vernal, all from Glen Canyon, and from Flaming Gorge to Sinclair, Wyo.

(*c*) Program and budget future line construction in orderly manner and as required to insure that facilities will be in service in time to deliver power to the market when powerplants are complete.

(3) Suggest early determination by the Secretary of the marketing area and the price of power.

Thank you.

STATEMENT OF A. VAN WAGENEN, JR., PRESIDENT OF ARIZONA MUNICIPAL POWER USERS ASSOCIATION

Mr. Chairman and gentlemen of this committee, my name is A. Van Wagenen, Jr. I am president of the Arizona Municipal Power Users' Association, a voluntary nonprofit organization made up of power customers in Arizona entitled to preference under reclamation law and currently using Federal hydroelectric power and energy. The association was chartered in 1958 with a main objective of assisting its members in the obtaining of electric power and energy for their respective customers.

Current membership consists of three municipalities having a combined population in excess of 50,000, an irrigation district, four electrical districts, and six electric co-ops. The combined electric load of these customers is currently about 200,000 kilowatts and substantial growth is expected. The association membership, when combined with the Salt River project, includes most of the preference customers in the State—providing electric power to considerable portions of 10 of Arizona's 14 counties.

I appreciate the opportunity to present the views of the Arizona Municipal Powers Users' Association relating to the necessity of a Federal transmission system to deliver Colorado River storage project power to the preference customers.

The members of the association are currently being served over combined facilities of the Parker-Davis project of the Bureau of Reclamation and of the individual members. The present allocation of Colorado River power is inadequate to meet the needs of all of the preference users in Arizona and we are therefore seeking new sources to fulfill our requirements. Since the preference loads in Arizona are within reasonable marketing distance from Glen Canyon Dam, it appears natural that we would look to that source for additional power and energy.

We were advised that the preference customers in the upper basin, comprising Colorado, New Mexico, Utah, and Wyoming, would not utilize all of the Colorado River storage project power in the early years of the project. We therefore joined the Colorado River Basin Consumers Power, Inc., to assist in establishing a 5-State marketing area for Colorado River storage project power. We and the Salt River project can absorb the excess energy available from Colorado River storage project from the time such power is available, and are willing to pay firm rates for such power.

In urging you to consider a transmission system which will connect our present systems to this newly developed source, we are aware of the private utilities' proposal to absorb this excess energy into their systems. We are also aware that these same people are proposing that this excess energy be sold to them at nonfirm rates—maybe even as low as fuel replacement costs. In contrast to this, we, the preference users, stand ready and willing to buy this excess energy at firm rates. The utility offer could represent a sizable decrease

in revenue to the storage project—depending upon just what the utilities will pay. Any sale at less than firm rates will be detrimental to irrigation and other developments in the upper basin and could delay repayment of the project.

Our group strongly recommends that the Federal Government construct the transmission system from the Government's generating plants to the marketing area since no power will be available to the nonpreference customer. We see no purpose in interposing a privately owned transmission system which will have the effect of a permanent "toll gate" on all the energy which the preference users would utilize.

We further favor a federally owned and operated system to permit flexibility of operation and better overall system efficiency. A privately owned system would have to serve first the needs of the owner and second those of the preference customers and the Bureau of Reclamation's interchange operations.

The interconnection of the Colorado River storage project system with the lower basin system by a Federal system would comply with desires of the Congress as outlined in Public Law 485 which in essence states that the Secretary shall interconnect systems of the Federal Government, both present and future, for the purpose of maximizing firm power generation from the whole Colorado River. This coordination between the upper and lower basin is emphasized again in the proposed Glen Canyon filling criteria, recently released by the Secretary of the Interior.

In offering to purchase the excess Colorado River storage project power and energy at firm prices, we are hopeful that a permanent allocation will eventually be made to Arizona. We are aware that a large block of the power which would be available to Arizona initially would ultimately be withdrawn to meet upper basin needs. We concur with this withdrawal down to an amount which might be considered as a reasonable permanent allocation to Arizona.

The importance of securing an adequate supply of low-cost power for Arizona preference users cannot be stressed too highly. Arizona's diversified agriculture is faced with the problems of increased irrigation pumping requirement, higher labor costs, and intense competition for markets. The municipalities, facing tremendous increases in population, are strained to provide dependable water supplies as well as other utility services. We feel that a reasonable supply of low-cost power is essential for the continuation of Arizona's growth.

In conclusion our group believes that obtaining hydropower from the new Federal developments on the Colorado River is a definite necessity. This power, we believe, should be delivered over a Bureau of Reclamation transmission system because such a system will provide maximum hydropower to a maximum number of preference customers at a minimum cost and will provide greatest possible revenues for project repayment. The entire power features of the storage project including the Government-owned transmission system are economically feasible and costs will be repaid to the treasury with interest.

We therefore request the Congress to appropriate $5 million for the immediate start on the lines from Glen Canyon to Farmington to Curecanti and Flaming Gorge to Oak Creek. We further urge that additional funds be provided this fical year for designs, surveys, and rights-of-way to assure that lines to the five major load centers in Arizona, Colorado, New Mexico, Utah, and Wyoming will be constructed and ready when power becomes available.

Thank you.

MONDAY, APRIL 11, 1960.

RECLAMATION PROGRAM

WITNESS

HON. WAYNE ASPINALL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. CANNON. Congressman Aspinall of Colorado. We are very glad to have you with us this morning. We will recognize you at this time.

Mr. ASPINALL. Mr. Chairman, may I express the appreciation of the Committee on Interior and Insular Affairs for the time which you have permitted us to have this morning. May I also wish to the great chairman of this great committee the felicitations of the day in his behalf and that he may have many, many more of these days to serve himself and the country which he serves so ably.

Mr. CANNON. Of course, the gentleman is out of order.

Mr. ASPINALL. I could not help but bring it to your attention because I may not see the busy chairman again today.

Mr. Chairman, in the interest of time, I ask the consent of the committee to file my statement, together with the chart which I have at the back of it, showing the prospective 8-year development program for reclamation and irrigation, and also a statement entitled "Reply to the Assertion that the Curecanti Unit Is Not Feasible at the Present Time," such statement having been made by a member of the other body and brought to the attention of members of this committee.

Mr. CANNON. They will be made a part of the record.

(The information referred to follows:)

STATEMENT OF HON. WAYNE N. ASPINALL, CHAIRMAN HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. Chairman, I appreciate the opportunity to appear before your committee again this year. This is the third year I have appeared here in behalf of the overall Federal Reclamation program. I am appearing as chairman of the House Committee on Interior and Insular Affairs which has the responsibility for studying and authorizing reclamation projects.

In previous years, I have criticized the administration for its neglect of the reclamation program and its "no new starts" policy and have expressed my firm belief that a few new starts each year are necessary for an orderly and progressive long-range program. My study of this matter did not support Secretary Seaton's contention that the pyramiding of costs due to starting new projects might, in his words, "result in disaster." I am glad that Congress substituted its judgment for that of the administration and added 18 new construction starts in fiscal years 1959 and 1960. The administration and the Department of Interior accepted and funded these new projects, worked them into the construction program without any detrimental effect thereon, and this year, in an about face, recommended six additional new starts for inclusion in the appropriations bill you are now considering. It seems to me that this indicates that the Secretary now recognizes that he was overly concerned on the matter of new starts and that the recommendation this year represents a changed attitude on the part of the administration. For this I commend the administration and the Department, and I hope this attitude continues in the executive branch regardless of which party might be in control.

I am not suggesting any additional new starts this year other than those recommended in the President's budget message. However, I urge this committee to retain those which the administration has recommended. In my opinion, the projects recommended as new construction starts this year have met all preconstruction requirements and should be started.

I am disturbed by talk I have heard suggesting a moratorium on reclamation development as a means of helping resolve our agricultural surplus problem. There is no more justification for such a move than there would be for stopping all agricultural research or cutting off all other Federal programs that contribute to the conservation and development of our soil and water resources. In fact, there is less justification because reclamation tends to alleviate rather than add to our existing agricultural problems.

In my opinion, the continued development of supplemental water supplies for existing irrigated areas and the opening of new lands to settlement through reclamation are entirely consistent with sound, long-term agricultural objectives.

Such development provides the most important basic element to a successful regional economy—a stable, diversified agriculture. In addition to improving our existing agricultural situation, reclamation helps to insure adequate future food and fiber for our rapidly growing population.

The objective of expanding the economy of the West is of prime importance to the whole Nation. The Federal Reclamation program has been one of the important tools by which the underdeveloped arid and semiarid regions of the West have been made into a habitable and productive part of the Nation by promoting westward movement of population, business, and agriculture, and providing a solid base for investment and employment where little existed previously. The reclamation program still has these positive influences today.

With respect to my statement that reclamation tends to alleviate the existing imbalances of agriculture, I have this to say. It is no widely understood that irrigation farming in the West enjoys a complementary, rather than competitive, relationship with the whole of the country's agriculture. Of the major crops in surplus, those that constitute more than four-fifths of the holdings and loan commitments of the Commodity Credit Corporation, reclamation farms grew only three of these crops, and the 1958 contribution from reclamation farms amounted to only 1.8 percent of the holdings. The reason why this proportion is so small when the total importance of reclamation in the economy of the West is so great is that the irrigation farmer has been able to shift production from surplus crops to those that are in current demand. The nonirrigated land is largely tied to a one-crop economy and cannot diversify in response to changing demand patterns. Reclamation has played a large role in facilitating these adjustments and in enhancing the efficiency of the agriculture of the West as a whole. The misapprehension that any extension of irrigation will compound the Nation's agricultural difficulties is not borne out by the facts, either past or present.

In addition, we are advised by agricultural authorities that our present crop imbalances are merely temporary and that continued efforts are needed in research and the conservation and development of soil and water resources. They emphasize that the capacity to meet the food and fiber needs of the expanding population does not happen automatically. Because major irrigation projects do not reach a fully developed stage until 15 to 25 years after authorization or start of construction, it is essential that reclamation needs be viewed in future perspective.

The Nation's population is increasing at about 8,600 additional persons per day while the acreage of good cropland diminishes at a rate of 3,000 acres per day due to conversion to roads, airports, and cities. Just how soon our agricultural abundance will give way to shortages depends on what positive steps are taken to overcome the effects of these incursions.

To accommodate the tremendous population surge toward the West, the base for economic development has to be provided via water resource development for farms and cities. The material demands of these new westerners come back to the eastern industrial centers in the form of orders for new equipment, new cars, new appliances, additional fuel, chemicals, clothing and capital.

Now, I would like to get back to this year's reclamation construction program. New construction funds in the President's budget total about $245 million and this amount plus the carryover funds that will be available appear to be adequate for carrying out an orderly and efficient construction program during fiscal year 1961. In a later supplemental budget message an $8.5 million reduction was recommended. I believe that, if this amount is not needed as originally requested, a portion should be used for other items that are needed now, and I shall discuss this a little later in my presentation today.

While I am not suggesting an increase in the original amount requested, I would like again to call this committee's attention to the fact that spending for reclamation construction has not kept pace with our expanding economy and that the amount in the budget this year is still too little, in my opinion, for this important national program. When I appeared here last year and the year before I recommended an annual level of spending for reclamation construction of about $300 million. Even $300 million is far short of the amount we would be appropriating if speeding for reclamation had maintained a relative position in our overall Federal spending. We must not overlook the fact that we are

getting only half as much in the way of project facilities for the dollars we spend today as we were getting during the years around 1940.

During the last 13-year period, Congress has appropriated an average annual amount of about $187 million for reclamation construction. The civil works construction program of the Corps of Engineers has received an average of about $575 million during the same 13-year period or more than three times as much. The civil works program is fully justified and I support it. I make this comparison only to show that the reclamation program has not kept pace with the civil works program in our expanding economy.

As in past years, I am again including in my presentations a sample 8-year program covering not only those projects included in the schedule of construction furnished this committee by the Bureau of Reclamation a few weeks ago in support of its fiscal year 1961 request for funds but also additional projects to be started in the years ahead. This sample 8-year program, set out in the table I am including for the record, includes 27 new starts, not counting those recommended for fiscal year 1961 by the administration. An examination of the table will show that there is still room in the construction schedule to add additional new starts in the later years without exceeding a reasonable annual level of spending.

The fund requirements on a year-by-year basis, as shown on the table, would be as follows:

Fiscal year—		Fiscal year—continued	
1961	$245, 550, 000	1965	$277, 337, 000
1962	295, 453, 000	1966	260, 047, 000
1963	304, 696, 000	1967	248, 070, 000
1964	289, 114, 000	1968	245, 450, 000

I want to again make it perfectly clear that this is a sample program and that the projects are scheduled in a way that seems reasonable to me on the basis of their present authorization and planning status. My purpose is simply to show that we can have a program including a few new starts each year without excessive pyramiding of fund requirements, and that we must keep adding projects if we are to have a progressive, sound program.

Of course, any construction schedule of this nature can be adjusted in the years ahead. For instance, the Bureau of Reclamation last year indicated a fund requirement in fiscal year 1961 of $267 million without any new starts in either fiscal year 1960 or fiscal year 1961, and Secretary Seaton used this figure as an example to show that the addition of new starts would result in excessive pyramiding of costs. Subsequently, nine new starts were added in fiscal year 1960. The Department not only accepted and funded these new starts, but recommends, for fiscal year 1961, six additional new starts, while, at the same time, indicating a need for the appropriation of only $237 million.

Mr. Chairman, I would like to now turn briefly to the program for the Upper Colorado River Basin. The total construction funds recommended in the President's budget for the Colorado River storage project and participating projects is $71.6 million. It is my understanding that a supplemental budget message reduced this figure to $63.1 million on the basis that $8.5 million of the amount allotted to Glen Canyon would not be needed because of the shutdown of construction activities at Glen Canyon last year. I hope this committee will check into this matter to be sure that these funds are not needed because once these large projects are started, a spreadout in the construction schedule can be very expensive both from the standpoint of the actual construction costs and from the standpoint of delaying the marketing of the power to be produced. If the committee determines that this $8.5 million is not needed for Glen Canyon, I hope that a part of it will be retained for starting the power transmission lines and for additional planning studies, project needs which I will discuss a little later in my statement. I urge the committee to retain the full amounts recommended for all other items included for the Colorado River storage project.

Two of the new starts recommended in the President's budget are units of the Colorado River storage project—the Curecanti storage unit and the Florida participating project. The Curecanti project is the only storage unit authorized in the 1956 act which is not yet under construction. Cnstruction work on the other three storage units—Glen Canyon, Flaming Gorge, and Navaho—is now well

along. Last July, the Department of the Interior submitted to the Congress, pursuant to a requirement in the 1956 act, its feasibility report on the Curecanti unit. The report included a certification by the Secretary as to the engineering feasibility and the economic justification of the proposed Curecanti development. Now that all the requirements relative to this unit have been met, construction should proceed immediately as recommended in the budget with an appropriation of $1,400,000 in fiscal year 1961. The Curecanti unit, along with other storage units, is necessary for the regulation of the flows of the Upper Colorado River Basin in order to meet the Colorado River compact requirements for releases of water to the lower basin States and at the same time permit the development of the water resources of the upper basin to go forward. In addition to developing the water storage and hydroelectric power generating potentialities of the Gunnison River, the Curecanti unit would provide downstream flood control, reaction, and irrigation benefits.

The Florida participating project is one of the smaller projects authorized in the 1956 act with a total estimated cost of about $7.5 million. The primary purpose of the Florida project is to provide a full supply of water for the irrigation of 13,700 acres of land inadequately irrigated and 5,700 acres of new land. The project would provide additional benefits to flood control, fish and wildlife, and recreation. It is urgently needed to stabilize and maintain the economy of the area. Only $750,000 is needed in fiscal year 1961 to get this project underway.

I urge this committee to retain the full amount recommended in the budget for the Collbran project. The Collbran project features are well along toward completion with construction activity at its highest peak. The project should go into partial operation by the end of this year.

Mr. Chairman, a request was made earlier this morning by the preference power users to be served from the Colorado River storage project for an appropriation to start construction of the power transmission lines necessary to distribute the project power. I am in complete agreement with the view that the transmission lines should be started without delay in order not to delay the marketing of the energy when it becomes available. I feel that a small appropriation to start construction of the lines that are to be built by the Federal Government should be included in this bill. An appropriation of $2 million would be adequate to get the lines started and this amount could be taken from the $8.5 million that may not be needed for Glen Canyon according to the President's supplemental budget message previously referred to.

Mr. Chairman, while my presentation has been on the reclamation construction program, I want to say a word about the general investigations program. In my opinion, the amount included in the President's budget for general investigations is too low. A sound, progressive construction program depends upon project authorizations which, in turn, depend upon adequate investigations and study. Our studies of the various river basins must cover all potential projects if we are to arrive at the best overall program. In many instances, situations arise requiring special attention to particular projects. For example, right now in the Upper Colorado Basin, we have need for a speedup in the studies relating to the Animas-La Plata project in Colorado and New Mexico. The two States have requested that the studies be expedited because of certain problems that have arisen not only in connection with the Animas-La Plata project but involving also agreement on the San Juan-Chama project and the Navaho Indian project. Spokesmen from the Upper Colorado River Basin who preceded me indicated a need for an acceleration in the investigations and studies of other projects in the Upper Colorado Basin. I hope that the committee will give careful consideration to our investigations program and be sure that adequate funds are made available. Additional funds for planning studies also could be diverted from funds originally allotted to Glen Canyon.

In closing, please accept my personal thanks for granting me this opportunity to again present a case for a reasonable and sensible approach to the problems associated with the reclamation program that is so dear to the heart of one who has lived in an irrigated area all his life, and for your continued support of appropriations for the various projects in my State of Colorado and the entire Upper Colorado River Basin.

Bureau of Reclamation proposed schedule of construction programs

[Thousands of dollars]

Project	Total estimated obligations	Estimated obligations									Balance to complete
		1960	1961	1962	1963	1964	1965	1966	1967	1968	
Bureau's proposed program for construction and rehabilitation—appropriations [1]	----------	206,926	245,550	293,693	293,396	232,804	148,127	101,297	[2] 72,000	[2] 61,000	----------
Proposed program—projects not yet started or recommended as new start in fiscal year 1961: [3]											
Colorado River storage project:											
Central Utah participating project (excluding Vernal)	228,900	----------	----------	----------	----------	[4] 5,000	13,000	13,000	13,000	13,000	171,900
Emery County participating project, Utah	9,910	----------	----------	----------	[5] 1,000	3,200	3,200	2,000	510	----------	----------
La Barge participating project, Wyoming	1,810	----------	----------	----------	----------	[6] 410	1,000	400	----------	----------	----------
Lyman participating project, Wyoming	11,440	----------	----------	[7] 1,000	3,500	4,000	2,500	440	----------	----------	----------
San Juan-Chama project, New Mexico [8]	86,000	----------	----------	----------	----------	----------	[4] 4,000	10,000	15,000	19,000	38,000
Savory-Pot Hook project, Colorado and Wyoming	15,400	----------	----------	----------	[9] 1,000	6,000	6,000	2,400	----------	----------	----------
Silt participating project, Colorado	3,550	----------	----------	----------	----------	[10] 400	2,000	1,150	----------	----------	----------
Missouri River Basin project:											
Cedar Rapids unit, Nebraska	20,060	----------	----------	----------	----------	[4] 2,000	5,500	5,500	5,500	1,560	----------
Chestnut Valley unit, Montana	1,360	----------	----------	[9] 260	800	300	----------	----------	----------	----------	----------
Garrison diversion unit, North Dakota	170,000	----------	----------	----------	----------	----------	----------	----------	[11] 5,000	15,000	150,000
Glen Elder unit, Kansas	41,990	----------	----------	----------	----------	[11] 1,000	7,000	9,000	9,000	9,000	6,990
Hardin unit, Montana	13,860	----------	----------	----------	[11] 1,000	4,500	5,500	2,500	360	----------	----------
Kanopolis unit, Kansas	12,360	----------	----------	[4] 500	2,000	5,000	4,000	860	----------	----------	----------
Midstate reclamation project, Nebraska	82,000	----------	----------	----------	----------	----------	----------	[9] 3,000	10,000	15,000	54,000
Narrows unit, Colorado	15,000	----------	----------	----------	----------	----------	----------	----------	----------	[9] 1,000	14,000
O'Neill unit, Nebraska	58,700	----------	----------	----------	----------	----------	[9] 2,000	6,000	10,000	10,000	30,700
Shoshone extension unit, Wyoming	38,140	----------	----------	----------	----------	----------	[4] 2,000	7,000	9,000	9,000	11,140
Other projects:											
Baker project, Oregon	6,200	----------	----------	----------	----------	----------	----------	----------	[9] 1,000	4,000	1,200
Burns Creek project, Idaho	45,200	----------	----------	----------	----------	[11] 2,000	12,000	14,000	14,000	3,200	----------
Canadian River project, Texas	95,500	----------	----------	----------	[11] 1,500	15,000	25,500	25,500	17,500	10,500	----------
Fryingpan-Arkansas project, Colorado	159,300	----------	----------	----------	----------	----------	[11] 5,000	18,000	20,000	25,000	91,300
Mann Creek project, Idaho	3,200	----------	----------	----------	----------	----------	[9] 500	2,000	700	----------	----------
Norman project, Oklahoma	19,040	----------	----------	----------	----------	----------	[9] 1,500	5,000	7,000	5,540	----------
San Luis project, California	290,430	----------	----------	----------	----------	[11] 5,000	25,000	28,500	30,000	35,000	166,930

Spokane Valley project, Washington	5,010	----------	----------	----------	[4] 500	2,500	2,010	----------	----------	----------	----------
The Dalles project, Oregon	5,650	----------	----------	----------	----------	----------	----------	[9] 500	3,000	2,150	----------
Wichita project, Cheney division, Kansas	16,210	----------	----------	----------	----------	----------	----------	[11] 2,000	5,500	6.500	2,210
Total	----------	206,926	245,550	295,453	304,696	289,114	277,337	260,047	248,070	245,450	----------
New starts [3]	----------	0	0	3	5	7	6	3	2	1	----------

[1] Presented to the Appropriations Committee in justification for appropriations, fiscal year 1961. Includes Colorado River storage project and participating projects.
[2] Estimated, not included in the Bureau's schedule of construction.
[3] 27 projects started during 7-year period 1962–68. In addition, the administration has recommended 6 new starts for fiscal year 1961.
[4] No change from last year with respect to the initiation of construction.
[5] Initiation of construction advanced 1 year as compared to last year's program.
[6] Initiation of construction set back 2 years, as compared to last year's program because of local problems.
[7] Initiation of construction advanced 2 years, as compared to last year's program.
[8] Does not include the Navajo Indian irrigation project which presumably will be included in the program of the Bureau of Indian Affairs, although constructed by the Bureau of Reclamation.
[9] Not included in last year's program.
[10] Initiation of construction set back 3 years, as compared to last year's program because of local problems.
[11] Initiation of construction set back year as compared to last year's program.

EXHIBIT TO CONGRESSMAN ASPINALL'S STATEMENT BEFORE PUBLIC WORKS APPROPRIATION

REPLY TO THE ASSERTION THAT THE CURECANTI UNIT IS NOT FEASIBLE AT THE PRESENT TIME

A reply to the assertion that the Curecanti unit is not feasible at the present time must necessarily involve a discussion of both financial feasibility and economic justification. First, it should be pointed out that last July less than 9 months ago, the Secretary of the Interior submitted a report to Congress on the Curecanti unit in which he certified that the Curecanti unit "is found to be engineeringly feasible and economically justified." To my knowledge there have been no developments since that time which would change the Secretary's finding. As a matter of fact, the Secretary reaffirmed this finding when he recommended the Curecanti unit as a new start in fiscal year 1961, and the Bureau of the Budget by going along with this recommendation gave its approval to the unit.

The feasibility of Curecanti is probably questioned at this time because the interest formula in the original Colorado River Storage Project Act results in an interest rate applicable to Curecanti of over 4 percent. This fact, of course, points up a deficiency in the interest formula in the basic act which we are working to correct and I will discuss this matter a little later. First, I would like to point out the effect of the high interest rate on the financial feasibility and the economic justification of the unit.

Should the Curecanti power costs have to be repaid at 4⅛-percent interest it would, of course, have a bearing upon the financial feasibility of the overall project. It would mean that the pooling of this energy with energy from Glen Canyon and the other power units would result in a reguirement for additional revenues to repay the power costs, either annually or by an extension of the repayment period. It has not been determined whether the proposed power rate of 6 mills would have to be increased in order not to violate the 50-year repayment period required in the basic act. What I am saying is that a high interest rate for Curecanti would not make the unit financially infeasible because of the integrated power operation of the overall project, but would simply adversely affect to some extent the financial feasibility of the overall system. The question would be whether the Colorado River storage project power system could retain the 6-mill rate and still payout within the required 50-year period or whether a slight increase in the power rate would be necessary.

Economic justification of the power development of the Curecanti unit is another matter. Let me again point out that the Secretary found the unit economically justified 9 months ago and nothing has happened to change that finding. The question involved in economic justification is whether power can be produced at a cost equal to or less than the cost of power from an alternative source. In this case the alternative source would probably be power from a steam electric plant. So the question is whether a 4⅛-percent interest rate would result in the cost of power from the Curecanti exceeding the cost from steam electric generation. I do not have the answer to this question which, of course, would require a rather detailed study.

I would like to go back now to the matter of the interest formula in the original Colorado River Storage Act. During the last few years Congress has placed in legislation relating to water resources development several different formulas for computing interest to be paid on costs allocated to power and to municipal water. The principle behind all of these formulas is to charge the municipal water and power beneficiaries the same interest rate that the Federal Government pays on its long-term obligations. In other words, the objective has been to remove any Federal subsidy from the development of power and the furnishing of municipal water. The difficulty has been to arrive at a formula which would accurately carry out this objective. For instance, an interest rate determination for this year under the various formulas presently existing results in a spread from 2⅝ percent to 4⅛ percent, the 4⅛ percent rate being the one derived from the upper Colorado River storage project formula. As I understand it, the difference between the Colorado River storage project formula and the other formulas is that the storage project formula is based upon the cost of interest during one particular month while the other formulas are based upon the average cost of interest to the Government over a period of 15 or more years. It certainly seems to me that it would be preferable to use the long-term average rather than a rate determined during a particular month each year. From a practical standpoint it seems absure for all the various units of a project like the upper Colorado storage project to be paying different rates of

interest simply because they are started at different times. The cost of all the units will be repaid during the same general period from pooled revenues of the overall project and logically the same interest rate should apply.

Two interest formulas which the Department of the Interior has reported favorably on are the formula in the Water Supply Act of 1958 and the formula in the Norman project legislation and other project bills. These formulas both result in interest rates of around 2¾ percent. The question as to whether these formulas meet the principle of removing financial subsidy from our municipal water development involves various factors and conditions. Officials of the Department of the Interior have testified before my committee that in their judgment the formulas in the Water Supply Act and the Norman project legislation result in fair and equitable rates. From the standpoint of consistency it is the Colorado River Storage Project Act formula which appears to be out of line. It is for that reason that we are considering legislation to modify it. It doesn't make sense to say that a power development constructed under the Colorado River Storage Project Act, and the interest formula therein, is not feasible but that the same development would be feasible if built as a part of some other project under some other interest formula.

The Curecanti development is financially feasible regardless of interest rate and was found economically justified 9 months ago in spite of the interest rate, and there is no basis for delaying the construction of this unit. In the meantime, we intend to see that all projects are treated alike with respect to interest and do whatever is necessary to accomplish this.

Mr. ASPINALL. Mr. Chairman, I wish to thank you for permitting me to appear here for the third time, once in the interests of the Subcommittee on Irrigation and Reclamation 3 years ago and the last 2 years as chairman of the authorizing committee, appropriations for which this committee takes care of in irrigation matters.

May I say very briefly that I have been critical of the administration in the past 2 years for not recommending new starts to keep a great program going. I have been before this committee. May I express the appreciation of those I represent as well as my own appreciation for the fact that this committee, together with the House of Representatives, heeded apparently some of the wishes of those of us interested in the program and set up 2 years ago a new program for nine new starts and last year a program for nine more new starts.

While I was more or less critical of the administration during those 2 years, I wish to say that I commend them for their program this time in presenting their budgetary recommendation that there be six new starts, all six of which are ready and in my opinion the only six which are ready for a construction program.

Secretary Seaton, in placing his position before this committee and Congress, stated 2 years ago that it would be impossible to take care of the new starts. One year ago he reversed himself because at the wishes of Congress he worked those new starts into his reclamation program and he is now coming forth with six more new starts and in his presentation he shows that it is very easy to work that kind of a program into the economy of the United States.

The chart which I referred to and got unanimous consent to insert as part of my remarks shows a prospective sample of construction for reclamation for the next 8 years. It is not a chart that sets up priorities of individual projects; that is not the purpose of it. It is just to show that the national economy of our Nation can stand a reclamation program someplace between $260 million and $300 million a year and still be in accordance with good economics.

Apparently Secretary Seaton realized that, because he has suggested for some reason or other that we proceed along that line.

There has been much argument about agricultural surpluses and their relationship to reclamation and irrigation or maybe I had better

put it the other way, reclamation and irrigation and its relationship to agricultural surpluses.

Of course, the record shows that there is only 1.8 percent of all of the products that are in the control of the Commodity Credit Corporation at the present time that comes from irrigated lands.

Quite the contrary is true than the argument that is advanced and that is that in irrigation areas we have an integrated program for agriculture. We are able to change from one crop to another as the needs of the Nation suggest and so this is not true.

May I also bring to the attention of this committee and more than likely they already know it that at the present time we are getting 8,600 new mouths to feed every day of the year, and we are taking out of production 3,000 acres of agricultural land every day of the year.

In other words, as our desire and necessity of more food grows with the additional population, the land on which to produce that is being taken out of cultivation.

To put it briefly, may I state this: That I am in agreement with the wishes of the Department of Interior and the Bureau of the Budget in their presentation before this committee in all except perhaps two particulars, and not so far apart in those two particulars.

The President in his wisdom has seen fit to recommend by supplemental message that the Glen Canyon unit could get along with $8,500,000 less than what he sent up in his primary budget, because of the strike that took place down there last fall. Whether it can or not is not a question for me to decide because I think that must be made by engineers and people who are in charge of the project, but if that is true, then it seems to me that these people who are asking for some funds to start the transmission line program should be given at least an amount of $2 million so that they can start this program just as soon as the Bureau of Reclamation determines the area where the power is going to be sold. Also, I am of the opinion that we need some more moneys for planning, and especially surveys and planning in the upper Colorado River program.

Mr. Chairman, I have to answer, as many of the Members of Congress do, some of the complaints against the irrigation and reclamation program. Most of these complaints come about because there was not enough money or enough time spent in bringing the projects before the Congress and I wish to suggest to my friends on this committee that as I have come before the committee year in and year out since I came to Congress, at times I have asked the committee to eliminate funds that the administration has proposed and that the Department has proposed because those projects were not ready. That is the history of my appearance before this committee. I feel that, in order to keep this great program going, we should have projects coming along and the only way we can have them come along and properly advise our colleagues in our desire for authorization is to have them properly planned.

May I state briefly the wishes of the people of Colorado, and that is that Collbran be continued, as the Bureau of the Budget has suggested, through the President, that Paonia be continued—those two projects are pretty near through—that Smith Fork be given additional funds, that Curecanti be brought in, and I am sure when the members of this committee and the staff read my argument about this question

of the large amount of interest that is made necessary under the law authorizing the upper Colorado River program, that they will see that there is not an open and shut argument at all. There are many things that enter into that, rather than just this superficial argument that we use, because all those moneys do not bear under the procedures that the Department of Reclamation uses, all those moneys do not bear 4¼ percent.

The question is whether or not the moneys which come from the Bureau of Reclamation fund should be included in that determination of interest, but anyway, I think that Curecanti should be built, Florida should be built. There isn't any question about Florida—the water is there, it has priority and it should be started as a Bureau of Reclamation start. The Navajo Dam in New Mexico should be given what the Bureau has suggested for it so that it can proceed and the Hammond project should proceed also as well as the other projects.

That is all I have to say, Mr. Chairman. You have been very, very sympathetic and helpful and, unless there be some questions, I will ring off.

Mr. CANNON. You have given us a very interesting and convincing presentation, Congressman Aspinall. We thank you.

Mr. ASPINALL. May I have permission to revise these oral remarks that I have made?

Mr. CANNON. When the transcript comes to you, feel free to make such changes as you think necessary.

Mr. ASPINALL. Thank you very much.

Mr. Chairman, may I make one more request?

Mr. Dan Hughes of Colorado was in the room and has had to leave. He is interested in the Curecanti situation and I would ask unanimous consent that he be permitted to file his statement at this place in the record.

Mr. CANNON. It will be made a part of the record.

(The statement appears on p. 1629.)

MONDAY, APRIL 11, 1960.

FLORIDA MESA RECLAMATION PROJECT

WITNESS

ANDREW FLETCHER, DIRECTOR, FLORIDA WATER CONSERVANCY DISTRICT

Mr. CANNON. Mr. Fletcher, you represent the Florida Water Conservancy District?

Mr. FLETCHER. That is right, Mr. Chairman.

Mr. CANNON. Will you be seated?

Mr. Fletcher, you may proceed.

Mr. FLETCHER. Mr. Chairman, I am Andrew Fletcher from Route No. 2, Durango, Colo., where I have lived since 1939. I am one of the directors of the Florida Water Conservancy District, which was formed in 1948. I also have a 160-acre farm in the district. In addition, I have been quite active in Grange work and presently hold the office as deputy State master.

The granges of my area are solidly behind this project, as are most farmers in the area. Today, however, I speak for the Florida Water Conservancy District. This district is made up of practically every family living within the watershed, which involves an area roughly 35 miles long and 15 miles wide.

As a resident of the area, I have become quite familiar with the problems of the farmers within the district. One of our major problems is an inadequate supply of water—or no water at all—from the first of July on through the critical growing season of crops on the Florida Mesa.

In 1959 our water supply was cut by the water commissioner on June 15. In most years we have no water to irrigate the second cutting of hay, therefore, our feed supply is usually inadequate for our long winter feeding. Thus, it makes it necessary for us to haul feed long distances, which is expensive.

I have studied the soil conservation report on the Florida project and am in complete accord with the recommendations of the report which calls for a dam on the Florida River which would stabilize the economy of farmers under the project.

Under the present irrigation system, we must grow some winter wheat in order to have enough water to irrigate alfalfa and spring grains. If we had an ample supply of water when needed, we could have irrigated pasture for dairy herds and livestock operations in place of surplus grain crops.

With our shortage of water, it is necessary for most of us to secure employment in Durango, which is not good for us or the city of Durango, for we are taking employment away from someone who would live there and increase the population of the area.

There is also the recreational side of the picture under the project. Flood control is also an important factor. At present there is much damage done by the uncontrolled spring runoff of the entire length of the river. A lot of valuable farmland is carried away each year by floodwaters.

The farms under this project have rich land and excellent drainage.

We have worked and prayed for a dam on the Florida River and now that it might be in the making, we are very hopeful that the funds for the project will be approved and that we can soon see our dreams come true. The future of the farmers under the Florida project, to a considerable extent, hinges upon the dam being built.

Mr. CANNON. Thank you, Mr. Fletcher.

MONDAY, APRIL 11, 1960.

YELLOWTAIL DAM AND BURNS CREEK PROJECT

WITNESS

HON. KEITH THOMSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WYOMING

Mr. CANNON. Congressman Thomson of Wyoming.

Congressman Thomson is a member of the Committee on Appropriations, a very valuable member. We are very glad to have him testify in this hearing.

Mr. THOMSON. Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you.

In the first place, I would like to request the committee to include an appropriation of $18,000 for a house on the Owl Creek unit of the Missouri Basin. This would be located at the Lucerne pumping unit. Such was included in the original proposal, but was eliminated because the irrigation district thought that it was not necessary to retain suitable personnel and operations. Experience has proved that this is not the fact. This did not become apparent in time to be considered in the budget preparation. I am advised by letter, copy of which is attached hereto, and which I request be inserted in the record that the Bureau agrees with the irrigation district on the necessity of supplying onsite housing at the Lucerne pumping unit.

Mr. CANNON. It will be included in the record.

(The letter follows:)

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., April 11, 1960.

HON. KEITH E. THOMSON,
House of Representatives,
Washington, D.C.

DEAR MR. THOMSON: In further regard to our conservation on April 8, I am informed that representatives of our regional office in Billings have discussed on several occasions with members of the Owl Creek Irrigation District board the need for an operator's house at the Lucerne pumping plant, Owl Creek unit, Missouri River Basin project.

It has been difficult for us to agree with the district concerning the need for an operator's house at the pumping plant in view of the criteria generally used to determine the need for such facilities. However, based on operating experience to date by the district, particularly as concerns its difficulties in satisfactorily operating the pumps without a man in constant attendance, we have concluded that in this instance we can agree with the district that a house in this location would be desirable. It is estimated that the house with necessary utilities will cost between $18,000 and $20,000.

Sincerely yours,

FLOYD E. DOMINY, *Commissioner.*

Mr. THOMSON. Experience has shown that satisfactory operation requires the presence of personnel at odd hours around the clock. The only way to provide this on an economic basis is by on-site housing. Other means of financing this housing are not available in this area and it should be included in the project appropriation.

The budget requests only $518,000 for surveys on the transmission system for the upper Colorado River storage project. I would recommend that $5 million be added to commence construction on the line from Flaming Gorge to Oak Creek, Colo., and on the line from Glen Canyon to Cortez, Colo. The committee last year required coordinated study of the Bureau and all users in the area. I am informed that as a result of the study, all parties are in agreement that these two lines should be constructed by the Federal Government. Per-

sonnel in the Bureau of Reclamation further advise me that if commencement of construction of these two lines is delayed until the beginning of fiscal year 1962, then any work stoppage from any cause whatsoever would mean that the lines would not be completed when required at Flaming Gorge in 1963 and at Glen Canyon in 1964, without payment of overtime, etc. It would therefore appear that it would be economically wise to commence construction on these two lines this year. This would require $1,020,000 for the Flaming Gorge and $3,980,000 for the Glen Canyon line, or a total of $5 million. It is my understanding that reduction in the request for Glen Canyon funds would more than offset this, and that it could be accomplished without going over the budget. Coordinated planning could then continue as to the remainder of the transmission system.

Also as a part of the upper Colorado River project, I urge the committee to provide the full appropriation for the Seedskadee project. The discovery of commercial trona on some of the lands within the project should not delay construction. People within the State are working to identify this area. As compared with the project as a whole, it is expected to be small, and it would appear that the problem can be worked out so as to permit construction of the features contemplated by this appropriation without delay.

With respect to investigation funds, I would like to urge that highest priority within Wyoming be given to the Lyman project of the upper Colorado River and the Wheatland unit of the Missouri River Basin. Both of these projects are for supplemental water, which is most important to firming up the agricultural economy of their respective areas. The Lyman project should have had top priority in Wyoming if there had been agreement between the owners of the private property. This has now been obtained, and it should move forward with all rapidity. I am informed that there is $186,827 programed for this. I should like to see the Bureau directed to proceed with all possible speed, so as to complete the investigation in the coming year. Funds for the Wheatland unit appear to be adequate to complete the feasibility study.

I know that the committee is giving particular study to the major features. I want to see the Yellowtail project constructed. If it cannot be constructed as an all-Federal project on a sound economic basis, then I would urge that the power facilities be constructed by the private companies. It is my understanding that the Montana Power Co. and the Pacific Power & Light Co. are still willing to install the generating facilities and pay sufficient for the falling water to assure the payout of the project and the reclamation features. I believe that as a condition precedent to construction, the State of Montana should be required to provide for the improvement of the road south from the damsite to the Wyoming State line. This would assure an adequate road network and obviate any future demand for Federal construction money.

Although it is a small item, I would particularly urge the committee to make appropriation requested for the flood control project on the Snake River at Jackson Hole. This is one of the most beautiful areas of America, and this work is essential to its preservation.

I thank you for this opportunity, and for your consideration of these suggestions.

If you have any questions, Mr. Chairman, I would be very happy to answer them.

Mr. CANNON. Congressman Thomson, we much appreciate your presentation. When the transcript is returned to you, if you wish to elaborate, feel free to do so.

Mr. THOMSON. Thank you, sir.

MONDAY, APRIL 11, 1960.

TRINIDAD PROJECT

WITNESS

HON. J. EDGAR CHENOWETH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. CANNON. Congressman Chenoweth, from Colorado.

Mr. Chenoweth, will you have a seat at the table?

Mr. CHENOWETH. Thank you, Mr. Chairman.

Mr. CANNON. I believe that you wish to talk about the Trinidad project?

Mr. CHENOWETH. The Purgatoire River project at Trinidad, Colo. I have a prepared statement I would like to insert in the record.

Mr. CANNON. It will be made a part of the record at this point.

(The statement follows:)

STATEMENT OF HON. J. EDGAR CHENOWETH

Mr. Chairman, and members of the committee, I appreciate this opportunity to appear before you in support of the request of the Army Engineers for an appropriation of $185,000 to continue the advance planning and engineering studies on the Purgatoire River project at Trinidad, Colo. Last year you approved the sum of $75,000 to initiate this work, which is now in progress under the supervision of the district engineer at Albuquerque.

This item has the approval of the Bureau of the Budget, and the sum of $185,000 was recommended by the President in his annual budget message to Congress.

I am pleased to report to the committee that the local interests are now engaged in the formation of a conservancy district, as authorized by the laws of the State of Colorado. It appears that the required number of signatures for the creation of the district will be obtained shortly, and the petition will then be presented to the judge of the district court in Trinidad as provided by the statutes of Colorado. If the petition is found to be in proper form the court will enter an order authorizing the conservancy district, and will appoint the first board of directors.

I mention the conservancy district so that the committee will be informed of the local interest in this project, and the steps which are being taken to carry out the local participation. The district will be the legal entity with whom the Federal Government will deal on all matters relating to the construction and operation of the project. The district will sign the contract for the repayment costs which are allocated to irrigation.

The details of this project are contained in House Document No. 325 of the 84th Congress, 2d session.

This project provides for a dam on the Purgatoire River near Trinidad, Colo., which is my hometown. There have been several disastrous floods on this river which have caused heavy damage to property in and near Trinidad, the last of which occurred on May 19, 1955.

These floods not only damaged property in the city of Trinidad, but resulted in the loss of valuable farmlands below the city. Trinidad is an important transportation center and is located on the mainline of the Santa Fe Railroad. The

mainline of this transcontinental railroad was tied up for several days in 1955 until the damages could be repaired. The necessary repairs were not completed for several weeks. The Colorado & Southern Railway, which operates between Denver and Dallas, also suffered heavy damages and traffic was suspended for a period after the flood. Trinidad is also served by the Denver & Rio Grande Western Railroad.

The city of Trinidad is located on U.S. Highways Nos. 85 and 87, running north and south. This is the main north and south highway in Colorado and is of strategic military importance. This highway is included in the Interstate Highway System and construction of the new highway is now in progress. Trinidad is also located on U.S. Highway No. 350, running east to La Junta where it joins U.S. Highway 50. These recurring floods have washed out roads, bridges, and approaches, resulting in the suspension of traffic over these highways for a period of several days. In times of emergency this would greatly impair our national defense.

This is a flood control project designed to protect the city of Trinidad from these recurring floods. In addition to the flood control features, irrigation benefits are also provided. The total cost of the project is $17 million, of which $8,268,000 is charged to flood control and $8,732,000 to irrigation.

There is a valuable irrigated section below the city of Trinidad, consisting of some 19,500 acres, which is known as the Sun Flower Valley. A number of private ditch companies distribute water to these farms. These companies have urged that efforts be made to work out a dam above Trinidad, which in addition to protecting the city of Trinidad from flood damage would also provide supplemental water for irrigation.

Colorado and Kansas are the only States affected by this project. This project has the approval of the Colorado Water Conservation Board, which agency speaks officially for the State on all water matters. The project has the approval of the State of Kansas as contained in a letter from Gov. Fred Hall under date of July 8, 1955.

This project also has the approval of the Arkansas River Compact Administration, which has the responsibility of carrying out the terms of the Colorado-Kansas water compact on the Arkansas River as approved by Congress in 1949. This agency regulates the discharge of the water stored in John Martin Reservoir in Colorado, which water is divided between the water users of Kansas and Colorado according to the terms of the compact.

I want to again impress upon the committee the fact that there is a serious flood hazard at Trinidad. After the 1904 flood, the city constructed a floodway through the city and erected concrete walls along the banks. The recurring floods over the years have practically destroyed these flood protection works. It was necessary after the flood in 1955 for the Army Engineers to construct an emergency bank protection project. The proposed dam will afford adequate protection from any flood of record.

I hope the committee will approve this request for $185,000 for this project, so that the necessary planning and engineering work can be continued. Thank you very much.

Mr. CHENOWETH. Mr. Chairman, this is the same project that you considered last year and for which you appropriated $75,000 to initiate the advance engineering and planning studies by the Army Engineers. The district engineer is now engaged in this work. The request has now been made for $185,000 to continue these studies, which we hope will be completed during the next fiscal year.

This item has the approval of the Bureau of the Budget and was included in the President's budget message. The local people are now engaged in organizing their conservancy district. The petitions are being circulated, and they hope to organize their district under the laws of the State of Colorado within the next month or two. The conservancy district will be the legal entity with whom the Federal Government will deal in signing the repayment contract and all of the other details in connection with the project.

I mention the district, Mr. Chairman, so that the committee may know of the local interest in this project and the desire of the local

people to proceed with the same. They are doing everything within their power to get the conservancy district organized at the earliest possible date.

This money is being requested to complete the engineering and planning studies which the district engineer at Albuquerque has started and on which he is now working. None of these funds will be used for construction.

This is a flood control project, Mr. Chairman. There are also irrigation features in connection with it. One-half of the construction costs are charged to flood control, half to irrigation. The water users will sign a contract for the repayment of the costs charged to irrigation.

I will not take the time of the committee to go into further details. I will be glad to answer any questions that you may have. I have sponsored this project since its inception and I am greatly interested in the same. Thank you very much.

MONDAY, APRIL 11, 1960.

MIDDLE RIO GRANDE FLOOD CONTROL PROJECT

WITNESSES

JOHN PATRICK MURPHY, EXECUTIVE SECRETARY, MIDDLE RIO GRANDE FLOOD CONTROL ASSOCIATION

HUBERT BALL, CHIEF ENGINEER, MIDDLE RIO GRANDE FLOOD CONTROL ASSOCIATION

ROBERT C. McCONNELL, ADMINISTRATIVE ASSISTANT TO THE HONORABLE JOSEPH M. MONTOYA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. CANNON. Next we will hear from witnesses for the Middle Rio Grande Flood Control Project.

Mr. MCCONNELL. Mr. Chairman, and members of the committee, I am Robert C. McConnell, administrative assistant to Congressman Joseph M. Montoya. I would like to present Mr. Murphy to the committee.

Mr. CANNON. Mr. McConnell, you appear in behalf of Mr. Montoya. Mr. Montoya is a member of our committee and we are glad to have you represent him on this item.

Mr. MCCONNELL. Actually, in fact, with the permission of the chairman, I have been commissioned to appear on behalf of both Congressman Montoya and Congressman Thomas G. Morris from New Mexico. Unfortunately, both of them cannot be with us today.

I have a prepared statement, sir, on behalf of both Congressmen. In order to conserve the time of the committee, I will just submit it for the record instead of reading it.

Mr. CANNON. It will be made part of the record.

(The joint statement of Messrs. Montoya and Morris follows:

STATEMENT OF HON. JOSEPH M. MONTOYA AND HON. THOMAS G. MORRIS

Mr. Chairman and members of the subcommittee, we are Joseph M. Montoya and Thomas G. Morris, Representatives from the State of New Mexico. We wish to express our sincere appreciation for the opportunity of appearing before you with respect to water resources development projects of the Bureau of Reclamation and the Corps of Army Engineers. We are grateful for the understanding and the many courtesies afforded to us by your committee in past years. As you well know, multiple-purpose development of all the water resources of the Southwest is an absolute necessity to a region where water is scarce and where natural replenishment is slow and undependable. Too, the quality of much of the water is poor.

We are greatly disappointed that the President appears to have again failed to provide sufficient funds for general investigations on reclamation projects in the Upper Colorado River Basin. This subcommittee is fully aware that, in order to have a progressive and continuing water development program, adequate funds must be appropriated annually to prepare projects for construction. Fortunately, last year the Appropriations Committee and the Congress were in a position to correct the administration's shortsighted view of our Nation's economic development by providing funds for essential new starts in our State.

Two such projects continue to be of real significance. We recommend especially that $1,300,000 be provided the Bureau of Reclamation for continuing construction activity on the Hammond project and $400,000 be provided the Corps of Engineers in construction money with respect to the Two Rivers flood control reservoir.

Sound development of our limited water resources is vital to the continued growth and development of New Mexico. About two-thirds of the State lies in the drainage basin of the Rio Grande and its major tributary in the United States, the Pecos River. Essentially all of the water supply in the New Mexico portion of the Rio Grande Basin has been put to use. Our present needs on the Rio Grande are for flood control and water conservation through channel improvements. When this work is completed, our remaining opportunity for continued economic growth lies in beneficially using New Mexico's share of the Colorado River. The projects to which our support is directed all dovetail in meeting water conservation and flood protection goals. We would like to say a few words about each project in order to emphasize its importance.

COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS

The committee has had the opportunity to hear direct testimony from the Governors of New Mexico, Colorado, Wyoming, and Utah and from our good friend, Mr. Ival Goslin, chief Engineer of the Upper Colorado River Commission.

This great project is planned to assist the four States of the Upper Colorado River Basin to meet their commitments under the Colorado River compact to deliver water to the lower basin, and, by exchanging stored water for natural flow in "short" water years, permit development of the water resources of the upper basin to continue. Three great dams and reservoirs of this project are under construction; Glen Canyon on the Colorado River in Arizona and Utah; Flaming Gorge on the Green River in Utah and Wyoming; and Navajo on the San Juan River in New Mexico and Colorado. These reservoirs will store water for release to the lower basin in accordance with the requirements of the Colorado River compact. Glen Canyon and Flaming Gorge will have hydroelectric powerplants. Power from these plants will be sold, and the revenues will be paid into the Upper Colorado River Basin fund in the Treasury of the United States from which the reimbursable costs of the comprehensive basinwide project will be repaid. The fund will be used to provide financial assistance in repaying that portion of the costs of the participating irrigation projects that exceed the repayment ability of the water users. This great project will benefit the Nation as well as all of the States of the Upper Colorado River Basin. It is extremely important that these reservoirs be completed and placed in operation as soon as possible in order to meet growing industrial and agricultural needs.

The President's budget requests in connection with Colorado River storage units currently under construction $11,776,000 for the Navajo unit in New Mexico

and $1,300,000 for the Hammond participating project in New Mexico. We believe these amounts are sufficient to maintain economic rates of progress and we urge the committee to approve these funds in full. We are certain that their worth will be amply demonstrated. May we add at this point that we believe adequate funds should be provided for archeological salvage work in connection with Navajo Dam and other projects within the Upper Colorado storage program. The Subcommittee on Interior of the House Appropriations Committee has allowed the budget request of $210,000 but since this is considered inadequate, the Senate has added some $70,000 which we hope will be adopted by the full committee.

We are not able to ascertain the proposed apportionments of the $4,650,000 recommended for general investigations in the overall program of the Bureau of Reclamation. However, we do know that this sum is inadequate. A minimum of $1 million should be appropriated for 1961 for the investigation of projects in the Upper Colorado River Basin alone. This proposal is in accord with past recommendations of the four Governors of the upper division States and the Upper Colorado River Commission.

The Hammond project in New Mexico, costs approximately $3 million, and, as stated above, should be provided an appropriation of $1,300,000 for the fiscal year 1961. This is a small irrigation project located along San Juan River near Farmington, N. Mex. The principal features of the Hammond project consist of a low diversion dam across the San Juan River together with an irrigation system that will provide water for 3,900 acres of which 3,180 acres are new lands. The balance of the project area is now irrigated by pumping from the San Juan River. The expensive pumping facilities will be abandoned after the project is in operation. The project as recognized by the committee, is needed to help stabilize the economy of northwestern New Mexico. Recent discoveries of oil and gas in this area have caused a large influx of population. There is urgent need to strengthen the agricultural economy in order to maintain and continue a sound, balanced rate of growth.

The Hammond Conservancy District was organized in April 1958 to contract for repayment of the reimbursable construction costs as required by the authorizing legislation. There are minor cost allocations to fish and wildlife benefits. The reimbursable costs of the Hammond project beyond the ability of the water users to repay will be repaid by revenues from the conservancy district and by revenues from the sales of power generated by units of the Colorado River storage project.

TRANSMISSION SYSTEM FOR HYDROPOWER OF COLORADO RIVER STORAGE PROJECT

Preference power users to be served by power generated by the storage units of the Colorado River storage project as well as private utilities in the upper basin States have become vitally interested in the power market area and transmission system that will distribute project power. We hope that a decision regarding the power market area from the Secretary of the Interior will be forthcoming in the near future. We are informed that this decision will be rendered as soon as all the necessary data are collected and analyzed with respect to the extent and type of transmission lines and their cost, power allocations to consumers, transmission voltage for delivery, interconnections with transmission systems in adjacent regions, and interim power rates.

Both the preference user organizations and the private utilities have made detailed studies and compiled reports concerned with transmission systems. While the transmission systems advocated by these two interested groups of electric power agencies differ considerably, it is evident from a study of their reports on the subject that there are certain segments of the overall transmission system that are proposed by all parties to be constructed by the Federal Government. Two of these noncontroversial segments of lines are the line from Glen Canyon to Farmington, N. Mex., and into southern Colorado and the line from Flaming Gorge to Oak Creek, Colo.

It also seems incontroversible that the construction of both Glen Canyon and Flaming Gorge Dams has reached the point where, unless the construction of the transmission system is started at once, we may awaken some morning and find power ready to be generated but no means of transporting it to places of use.

In view of the apparent agreement regarding ownership of the Glen Canyon-Farmington and Flaming Gorge-Oak Creek lines and the need for an early start of construction we recommend that this subcommittee earmark $5 million to be used to initiate the building of these two transmission lines in fiscal 1961.

The preference users have also urged the need for an additional $5 million for future construction and planning which we think is reasonable foresight.

If our above-recommended procedure is followed, work could begin on these specified segments of the transmission system. In the interim, after all of the necessary information is collected and analyzed by the Bureau of Reclamation and other interested parties, intelligent decisions can be made with respect to problems related to other parts of the transmission system, its extent, power allocations to consumers, power rates, and so forth. We do want to mention that your committee has had the benefit of testimony in this repect from Mr. Norton Davis of New Mexico and representatives of other REA preference power users from neighboring States.

OTHER NEW MEXICO PROJECTS BEFORE THE APPROPRIATIONS COMMITTEE

Reclamation projects

Middle Rio Grande project.—This project is nearing completion by the Bureau of Reclamation, and has been furnishing substantial benefits for years. The budget request of $1,729,000 is required for fiscal 1961 to continue work on project rehabilitation to serve the irrigated lands. We strongly urge approval by the committee of this amount.

The proposed budget again this year appears to make only partial provision for the authorized levee improvement and protection works and channel rectification which must be accomplished by coordinated action of the Corps of Engineers and the Bureau of Reclamation. At least $2 million have been estimated to be required for that portion of the work that is the responsibility of the Corps of Engineers. We are informed the Army Engineers need this $2 million to expedite their work so as not to delay the Bureau of Reclamation. The Budget Bureau recommended only $1 million but because of the reclamation channel work, we urge the additional $1 million.

This committee will have the benefit this morning of testimony from Mr. John Patrick Murphy, executive secretary, and Mr. Hubert Ball, chief engineer, both of the Middle Rio Grande Flood Control Association, and we are sure they will be glad to answer any questions.

McMillan Delta project.—Last year the Congress provided funds for the salinity alleviation part of this project. This year's budget request of $100,000 will aid completion of the definite plan for a channel through the delta at the upper end of Lake McMillan and an irrigation reservoir on the Pecos River serving the Carlsbad irrigation project. This delta is infested with a heavy growth of salt cedars and other worthless water-consuming plants. The new channel will bring salvage of water to about 24,000 acre-feet per year, now lost through evaporation and transpiration in the delta area, and will thus improve the water supply of the Carlsbad project. We sincerely hope that the $100,000 requested will be allowed in full by the committee.

Navajo Indian irrigation project and San Juan-Chama project

Under policy established by the State of New Mexico after considerable intrastate negotiations, these two projects contemplate concurrent development. These projects were given priority for planning status by section 2 of Public Law 485, 84th Congress, 2d session that authorized the Colorado River storage project.

For several years requests have been made to the Congress for planning funds with which to push these developments along. We wish to recommend that this subcommittee earmark $500,000 for the advance planning of the Navajo Indian irrigation project and $150,000 for the San Juan-Chama project. On the Navajo project the funds are needed for aerial surveys and contour mapping, final locations of canals and laterals, and geologic and materials investigations. On the San Juan-Chama, the money is needed for collection of basic hydrologic data for an operational plan, foundation drilling of irrigation damsites, and topographic mapping.

Flood control projects

Abiquiu Reservoir.—For the Corps of Engineers, the budget request includes $4,600,000 for continuation of construction on the Abiquiu Reservoir on Rio Chama. Work on this project has been underway for several years. Because the Abiquiu Reservoir will make important contributions to flood prevention at Albuquerque and other points downstream along the Rio Grande, we urge that the full amount be provided in order that this project may be completed at the earliest possible date.

The corps' budget also contemplates the use of $157,000 for continuation of advance planning on the project at Socorro. This project was authorized in the flood control act of 2 years ago and is urgently needed. The full amount requested should be allowed so that planning of the project can proceed more expeditiously.

Two Rivers Reservoir.—We strongly urge that the $400,000 in this year's budget for the Two Rivers flood control reservoir to protect Roswell, N. Mex., be provided in order that construction may be expedited. This project was authorized by the Flood Control Act of 1954. Total estimated Federal cost is $6,900,000. Local cash outlay will be $135,000, not including operation and maintenance. We are grateful for the wisdom of this committee last year in providing $75,000 to initiate construction.

The project consists of two earthfill dams, forming a single reservoir, on Rio Hondo and Rocky Arroyo, about 12 miles southwest of Roswell. Because this is principally a local protection project, local interests are required to furnish all lands, easements, and rights-of-way for the reservoirs, to construct an access road, to maintain the access road and channels in Rhio Hondo and Rocky Arroyo, and to hold and save the United States free from damages due to the project. The city of Roswell has apparently complied with all requirements that have been officially requested by the Army Engineers.

The project is necessary for the protection of Roswell, and the adjacent federally owned Walker Air Force Base from inundation and major damages by flash floods that frequently occur. Property values in the flood plains were estimated by the Corps of Engineers at about $115 million in 1950 and are considerably higher now. It is urgent that funds be provided for work on this project in 1961.

Rio Grande Floodway—Cochiti to Rio Puerco Unit

We also wish to give our support to the $1 million included in the budget request for continuing work on the Rio Grande Floodway. When all features of this project are completed, it will provide major benefits of national significance to recreation and fish and wildlife, as well as to flood control.

Again we want to express our appreciation for the privilege of expressing our views to this committee and we are grateful for your understanding.

Mr. McCONNELL. I would like to say we are covering not only the Rio Grande but the Colorado River and all the items that have been discussed here this morning in connection with our State.

Also, I have been here for many years and I would like to take this opportunity to express the sincere gratitude of our State for the fine understanding and the cooperation we have always had from this committee. We are sincerely grateful. You were always fine to Congressman Dempsey and Congressman Fernandez and we are deeply appreciative.

Mr. CANNON. Congressman Fernandez was a very valuable member of this committee.

Mr. McCONNELL. At this time may I present John Patrick Murphy, executive secretary of the Middle Rio Grande Flood Control Association of Albuquerque.

Mr. CANNON. Thank you, Mr. McConnell. Mr. Murphy.

Mr. MURPHY. Mr. Chairman and members of the committee, in the interest of time I will file my statement, but I have an interpolation I would like to read into the record. This developed after I got here. I would like to read it into the record.

Mr. CANNON. You may file your statement and also make the additional statement to which you refer.

(The statement follows:)

STATEMENT BY JOHN PATRICK MURPHY, EXECUTIVE SECRETARY, MIDDLE RIO GRANDE FLOOD CONTROL ASSOCIATION

Mr. Chairman and members of the committee, my name is John Patrick Murphy and I am executive secretary of the Middle Rio Grande Flood Control Association. I have been authorized by the board of directors of the association to appear on behalf of the membership and present their views in support of our Middle Rio Grande project in New Mexico as authorized in the Flood Control Acts of 1948 and 1950, Public Law 858, 80th Congress, and Public Law 516, 81st Congress, respectively.

The Bureau of Reclamation has requested $1,729,000 with which to continue its phase of the work program during fiscal year 1961, and this amount has in turn been recommended by the Budget Bureau for appropriation by the Congress. We respectfully request that you do not cut this amount in any way.

Now, I would like to discuss the Corps of Engineers' phase of this coordinated project: They requested $4,600,000 with which to continue construction of Abiquiu Dam, $157,000 for Socorro preconstruction planning, and $1,600,000 for the floodway unit between Cochiti and Rio Puerco. The Budget Bureau, for some unknown reason, seems to want to slow up the work authorized by Congress in the floodway unit, because they recommended cutting this item down to a mere $1 million.

Last year, the district engineer in Albuquerque requested $2 million for work in the floodway unit, but the Budget Bureau deleted it in its entirety. However, the Congress in its wisdom, overrode the Budget Bureau and granted us $800,000 for this work in fiscal year 1960.

This particular phase of the authorized Rio Grande project is superimposed over the works of the present Middle Rio Grande Conservancy District, and ever since construction was first initiated, our association has worked closely with the Army Engineers and the Bureau of Reclamation, and thus we are cognizant of the fact that out in the district offices of both the corps and the Reclamation Bureau, they have coordinated without a single hitch in developing a plan for channel rectification work that conforms to the intent and purpose as authorized.

All of the Bureau of Reclamation's phase of the authorized work was definitely scheduled for completion by 1961, but due to the lack of cooperation by the Budget Bureau—meekly acquiesced in by the corps—the schedule has now been set forward to 1963. The successful completion of this unit of the project is, as previously stated, dependent upon concurrent construction of work to be prosecuted by the corps.

I know the corps have the trained personnel with which to carry out a much greater schedule of urgently required work in this floodway unit. Therefore, we plead with the committee, to make available a minimum of $2 million for the levee protection and improvement work in the floodway instead of the $1 million suggested by the Budget Bureau. This in turn would speed up the reclamation phase of the work and help keep down the construction costs. The reclamation program has already been delayed 2 full costly years. Thus, we have every reason to feel justified in stating that in our studied opinion, the arguments of the Budget Bureau—on why they prefer to delay this work, such as classifying it as a "new start" last year—are based on a entirely improper premise.

In closing, I wish to repeat that we sincerely hope you will grant our request for this additional $1 million for the Army Engineers, with which to speed up their phase of the work in the floodway unit of our project, plus $300,000 for preconstruction planning of Cochiti and Galisteo Dams.

I am grateful for the opportunity to appear here today, and, on behalf of the 500,000 splendid but anxious people in the middle Rio Grande Valley, whom I represent, I want to say thank you for your kind and favorable consideration.

Mr. MURPHY. I would like to interpolate at this point in order to focus your attention on the content of the original bill. When the Army Engineers' phase of our project was authorized by the Congress in 1948, the dam recommended on the main stem of the Rio Grande was opposed by the State of Texas. So in order to get

on with the other features of this urgently needed flood control work, we compromised and that explains the wording in the bill, "Chiflo Dam and Reservoir on the Rio Grande shall be excluded from the Middle Rio Grande project authorized herein, without prejudice to subsequent consideration by the Congress."

Since that time the work thus far consummated by the Corps of Engineers jointly with the Bureau of Reclamation has been so successful in the salvaging of precious water, which we send downstream to Texas, that they are now joining with us in asking the Congress to authorize a dam on the main stem of the Rio Grande.

Three years ago, with the wholehearted support of Texas this time, the Congress again instructed the Army Engineers to restudy and file a report on the present need for a dam on the main stem of the Rio Grande. This has now been completed and will be submitted very shortly to Congress. It is our hope and expectation that it will be included in the forthcoming omnibus bill for authorization, in order to carry on and expedite this much needed work, which is an integral part of the Middle Rio Grande comprehensive plan.

The Engineers' report to the Congress strongly recommends two dams, one to be constructed in the vicinity of Cochiti on the Rio Grande at an estimated cost of $43,408,000, and the other on Galisteo Creek near its mouth at an estimated cost of $15 million. Preconstruction planning should start immediately upon authorization. Therefore, it is our hope that you will consider including the amount of $300,000 for fiscal year 1961 with which to carry on this preliminary work on the Cochiti-Galisteo dams.

It should be noted that all interested States—Texas, Colorado, and New Mexico—are now in agreement and there will be no opposition to this project. They all recognize the absolute necessity for these dams and reservoirs as a part of the overall comprehensive plan for flood control, water salvage, and irrigation improvement of the entire valley and, furthermore, the Army Engineers state that these two dams are essential in order to preserve the works which have already been installed under the project, which I have previously discussed.

In conclusion, I wish to repeat that we sincerely hope you will grant our request for this additional $1 million for the Army Engineers with which to speed up their phase of the work in the floodway unit of our project plus the $300,000 for preconstruction planning of Cochiti and Galisteo Dams.

I greatly appreciate the opportunity to appear here today, and on behalf of the 500,000 splendid but anxious people in the Middle Rio Grande whom I represent, I want to say thank you for your kind attention.

Mr. CANNON. Thank you, Mr. Murphy.

Mr. MCCONNELL. May I say we endorse Mr. Murphy's statements wholeheartedly.

Mr. Chairman, may the record show that the secretary to Congressman Morris, Miss Marcelyn Bridal, is here and has been here all morning.

Mr. CANNON. We are glad to have had her here.

(The prepared statement of Hubert Ball follows:)

STATEMENT OF HUBERT BALL

Mr. Chairman, members of the committee, my name is Hubert Ball. I live in Albuquerque, N. Mex., and I am Chief Engineer of the Middle Rio Grande Conservancy District. I am here to support a request made by the Bureau of Reclamation for funds to continue construction on the Middle Rio Grande project in New Mexico. Reclamation's request in the amount of $1,729,000 has been approved by the Bureau of the Budget and is the minimum amount of funds required to carry on the project for the next fiscal year.

This appropriation will substantially complete that part of the program which is reimbursable by local interests and will also provide sufficient funds for continuation of the channelization and bank protection works of that portion assigned to the Bureau of Reclamation which is now underway on the Cochiti to Rio Puerco floodway unit of the Middle Rio Grande project.

This particular unit is being carried on by the Bureau and the Corps of Engineers as a cooperative program. In order for this program to proceed at the most efficient physical and economic rate, representatives of both agencies determine a division of the work and the funds required by each to carry on that part of the program which is properly within their sphere of operations.

The request by Reclamation has been approved by the Budget Bureau, however, the original request made by the Engineers has been reduced from approximately $2 million to an even million dollars. This results in the interruption of what has been determined to be the most feasible rate of construction, resulting in costly delays on the part of each agency and also subjects local areas benefited by this program to continued fear of flood damages and water losses.

We earnestly urge that this particular appropriation be increased from the $1 million now under consideration to the approximate $2 million originally requested.

Other items required by the corps for continuation of construction at Abiquiu Dam and Socorro, N. Mex., were approved by the Bureau of the Budget and we sincerely hope that congressional approval will be granted.

I appreciate your courteous attention and consideration of the many problems we have presented to you in the past and at this hearing today.

MONDAY, APRIL 11, 1960.

RECLAMATION PROGRAM

WITNESS

WILLIAM E. WELSH, SECRETARY-MANAGER, NATIONAL RECLAMATION ASSOCIATION

Mr. CANNON. Mr. Welsh of the National Reclamation Association.

Mr. WELSH. Mr. Chairman, I would appreciate it if my statement could be filed in the record.

Mr. CANNON. It will be included in the record at this point. You may proceed.

(The statement follows:)

STATEMENT OF WILLIAM E. WELSH, SECRETARY-MANAGER, NATIONAL RECLAMATION ASSOCIATION

My name is William E. Welsh. I am secretary-manager of the National Reclamation Association. It has been my privilege to appear before this committee for the past 11 years in support of the reclamation program for the Western States in behalf of the National Reclamation Association. I wish at this time to express my appreciation to the members of this committee for the very courteous treatment and consideration that has been shown to me on these numerous occasions. Also, on behalf of the association, I wish to express our appreci-

ation for the splendid treatment that has been given to reclamation by this committee over the years.

IMPORTANCE OF RECLAMATION

To a very large extent the future growth, development, and prosperity of the West depends upon reclamation. Based upon information contained in the last annual report published by the Commissioner of Reclamation and recently made available to the public, the reclamation projects of the West last year enjoyed the greatest and most prosperous year in all of the history of reclamation.

As a major contribution to the economy of the Nation it was revealed that the total crop values of all the crops raised on the Federal reclamation projects of the West almost reached the figure of $1 billion; namely, $987,441,504.

Repayment record.—Another high spot in the annual report was the remarkable repayment record of the settlers on the reclamation projects. That record is simply fantastic. The amount due and unpaid on September 30, 1959, would make any banker envious of that account. The amount due on that date was $140,294,831.61 and the amount unpaid was only $4,174.80; to state it in a different way, the amount that was due and unpaid on September 30 was less than one three-hundredths of 1 percent of the total amount that was due on that date.

The total cumulative value of all crops raised on all reclamation projects from the time the reclamation law was enacted up to and including the crop year of 1958 was $14,265,102,495. This is more than three times the total amount appropriated for reclamation since 1902. In that connection, it should be pointed out, however, that many of the large projects for which large appropriations have been made are still under construction and have not yet started producing crops. A great many of the other remaining larger projects have been brought under cultivation only during the past decade or so. It is also interesting to note that the total annual value of crops produced is more than three times the total annual appropriation.

The total amount of land irrigated on reclamation projects in 1958 was 6,756,737 acres. Of this amount, 3,405,057 acres received a full water supply, while 3,254,388 acres received a supplemental water supply from the Federal projects. Some of the projects receiving supplemental water received a major portion of their water supply from other sources, but the production on most of the supplemental water projects would have been far less without the water supply they received from the Federal projects.

Increase in income taxes.—Numerous economic studies made on several different reclamation projects have revealed a fact that is not too widely known—that the increase in Federal income taxes from the project areas and the areas supported by the projects are, in many cases, sufficient to repay the cost of the project about every 4 years.

GENERAL INVESTIGATIONS

For quite some time there has been an apparent misunderstanding by the general public with respect to authorized reclamation projects. Just a short time ago, in response to my request, the Bureau of Reclamation made available to us a list of projects pending and under various stages of consideration. This reveals very definitely that there is not an adequate backlog of reclamation projects. In fact, outside of the Missouri River Basin and the Upper Colorado River Basin, there are only two authorized projects pending before the Congress on which construction could be started if funds were made available, and the advance planning has not been completed on those two projects. They are the Canadian River project in Texas and the Spokane Valley project in Washington. With the exception of those two, there are no authorized projects ready for construction in any of the other areas of the West. This situation very definitely points out the need for adequate funds for general investigations.

BUREAU OF RECLAMATION INVESTIGATIONS

The trend that has developed in recent years in appropriations for general investigations and planning activities is a matter of increasing concern. The budget now before the Appropriation Committees includes requests for a total

of $7,842,000 for the Bureau's planning programs. This is broken down with $4,650,000 for the general investigations program, $2,000,000 for the Missouri River Basin planning work, $938,000 for the Colorado River advance planning program and $254,000 for the construction and rehabilitation advance planning program.

Taking into consideration anticipated contributions of $104,000 and the fact that the fiscal year 1961 request includes $250,000 for an engineering methods and materials research program which heretofore has been financed from other sources, the overall request for the planning programs represents a reduction of $440,000 below the level of the planning funds available this fiscal year and a decrease of $797,000 from the level of the program actually accomplished in fiscal year 1959. This reduction also is reflected in the number of investigations the Bureau is capable of carrying on. In fiscal year 1959, there were approximately 150 investigations underway. This has been reduced to 139 this fiscal year and, with the further reduction in funds for the next fiscal year, only 115 investigations will be active.

Most of this reduction has taken place in the funds for the general investigations program which is the heart of the Bureau's planning program. On the basis of the requests now before the committees, this program is being curtailed from a level of $5,323,000 of work actually accomplished in fiscal year 1959 to $4,754,000 in fiscal year 1961, including anticipated contributions. This represents a reduction of $569,000, or almost 10 percent. Again this is reflected in the fact there were some 109 investigations underway in fiscal year 1959 whereas only 89 investigations will be active in fiscal year 1961. Or, expressed in another way, there were 25 new investigations started in fiscal year 1959, but, with the limited funds for fiscal year 1961 and the need to concentrate those funds on the work already under way, there will be only 13 "new starts" in the planning program next fiscal year.

If this trend is to continue it is inevitable there will be a gradual "drying up" of the reclamation program. It is these planning studies that culminate in reports that are submitted to the Congress for authorization and, after authorization, that complete the detailed preconstruction studies to prepare those projects for construction. Again I wish to emphasize that with the exception of the Upper Colorado River Basin and the Missouri River Basin, the Bureau of Reclamation has no significant backlog of authorized projects. Even in those two basins, where there is a shelf of authorized projects, there are only a few developments on which the detailed advance planning work has been completed to the point where they are ready for construction. In the light of the tremendous growth that has taken place in the population of the United States in recent years and which is expected to continue in the future, it is essential this downward trend in the scope of the planning program be reversed.

In evaluating the need for planning and its relationship to the future needs of the Nation it must be kept in mind that most of the potential developments of today require several years of careful planning and the projects that are now under study will not reach full production for 10 to 20 years. It is evident that if the Nation is to meet this challenge it must be laying the groundwork now by carrying on an adequate planning program geared to long-range needs.

Another important consideration is the need for a stable and uniform planning program. The general investigation activity in the past has been characterized by wide fluctuations in annual appropriations. For instance, the total appropriations for the Bureau's planning program reached a low of $4,301,940 in fiscal year 1953. Over the next 5 years the appropriations for these activities were gradually increased to reach a peak of $8,834,000 in fiscal year 1958. Since that time the program has been gradually curtailed and the fiscal year 1961 request represents a reduction of almost $1 million from the 1958 level. This has resulted in inefficient and costly stop-and-go operations. With each reduction in appropriation, the Bureau loses highly trained technicians with many years of experience in water resources planning only to have to recruit and train new employees when the program is expanded. A stable program would enable the Bureau to maintain a more efficient organization.

Attached is a tabulation showing the appropriations for general investigations and advance planning over a period of years. This tabulation points out very clearly the fluctuations which have been most disturbing (exhibit 1).

RESEARCH IN ENGINEERING

Under the heading of "General Investigations" there is a request for $250,000 for research in engineering methods and materials. This item is to provide nonreimbursable funds to conduct research which would develop the use of new engineering methods and the application of new materials to bring about lower costs of reclamation projects. This research is necessary to be performed on a nonreimbursable basis since it is for the benefit of all reclamation projects. We do not believe that this type of research should, in equity, be charged against any one going project since the benefits endure for use on other projects. As an example, research in the field of suppressing evaporation from our reservoirs will benefit all future reclamation projects and, similarly, research on new techniques. New materials, such as plastic canal linings, should not be charged to present projects. Also, much of the research work is published and made available for the benefit of all countries of the world.

Attached hereto is NRA Resolution No. 16 (exhibit 2) adopted at the last annual meeting of the association held in Denver, Colo., in October 1959 which fully sets forth the position of the NRA with respect to general research and laboratory costs and specifically urges that such costs should be made nonreimbursable.

NEW STARTS

We wish to express to this committee our very deep appreciation for the strong position taken a year ago in which a number of new starts were approved. We believe that those projects were extremely important and we strongly commend the committee for this reason. The budget recommendations this year include six new starts. We heartily endorse that recommendation and urge that the six new starts recommended in the budget be included in the bill to be reported out by this committee.

Attached hereto (exhibit 3) is a list of projects which were made available to us by the Bureau of Reclamation in response to a request which we submitted to them several months ago. This is a list showing the status of planning on proposed or potential reclamation projects. The first list marked "A" includes "projects now authorized on which construction could be started if funds were made available." This is the same list of projects recommended for new starts in the budget. The list marked "B" includes "authorized projects on which advance planning will probably be completed during the fiscal year 1961."

If the planning on these projects should be completed in time so that they will be ready for construction, then we urge that funds be made available either in the regular or a supplemental appropriation bill.

The "C" list includes "other authorized projects on which planning will be underway during fiscal years 1960–61." At the present time it is not known whether any of these projects will be ready for construction during the fiscal year 1960.

PROJECTS ALREADY UNDER CONSTRUCTION

While there may be one or two exceptions, we believe that the budget recommendations, as a whole, for projects now under construction are adequate to keep the construction program moving forward satisfactorily on those projects and we recommend and urge that the amount recommended by the budget be approved by the committee.

With respect to projects which have been authorized and for which initial appropriations have been made, I wish to call to your attention National Reclamation Association Resolution No. 21 which was adopted at the last annual meeting of our association. A copy of this resolution is attached hereto (exhibit 4).

Also, I wish to call your attention to Resolution No. 19 entitled "Adequate Appropriations for Water Development," copy of which is also attached hereto (exhibit 5).

THE AINSWORTH PROJECT

Sponsors of the Ainsworth project, Nebraska, have called my attention to a peculiar provision in Nebraska law to the effect that construction on a project must

be started within 6 months after the Supreme Court has confirmed the contracts and finally approved the water rights. As they have explained it to me, this means that their money must be made available now, subject to confirmation of the contracts and final approval of the water rights; otherwise, they will lose their water rights. We believe this is a good project and urgently needed.

SMALL RECLAMATION PROJECTS

The National Reclamation Association, we believe, has a right to be proud of this program. We worked for quite a number of years in order to get a satisfactory law enacted by the Congress. We believe that the program is now proving to be very helpful and quite satisfactory. We are especially appreciative of the fact that this committee has approved appropriations for every project which has met the requirements of the law and been submitted to the committee for consideration. We wish to endorse the recommendations contained in the budget for the small reclamation projects program. Also, we are advised that there are at least two projects which would have completed the 60-day waiting period before the Interior and Insular Affairs Committees and will be ready for consideration for appropriations before the adjournment of Congress. We would like to urge favorable consideration for these projects by this committee and request that funds be made available.

SUMMARY

In summary, there are several points which I wish to emphasize and point out in connection with our overall reclamation program for the entire West:

1. It requires many years, often a quarter of a century, to bring a major reclamation project into agricultural production.

2. The Nation's population is increasing at the rate of about 3 million per year.

3. We are losing, each year, more than a million acres of good cropland to suburban developments, shopping centers, airports, industrial developments, municipal expansion, highways, and other uses.

4. Our agricultural surpluses, which represent approximately 6 percent of our total production, could easily be wiped out by 1 bad year of drought similar to that of the 1930's.

In fact, there were several years during that period when agricultural production dropped as much as 25 percent.

5. Reclamation projects produce only very insignificant amounts of our surplus crops.

It is estimated that the following percentages are raised on reclamation projects:

	Percent
Wheat	2.2
Upland cotton	5.3
Corn	.46
Tobacco	None
Rice	.54

6. Our total cropland being farmed has remained practically the same for the last 40 years and there is very little liklehood of any material increase.

In view of the foregoing, we believe that we are fully justified in urging that the reclamation program for the West which has accomplished such an outstanding record should be continued on a sound and orderly basis in order to meet the demands of the future.

Again, I wish to express to the members of this committee our very deep appreciation for the splendid support which you have given to the reclamation program over the years.

EXHIBIT No. 1

Bureau of Reclamation—Appropriations for general investigation and advance planning

Fiscal year	Regular general investigations	Missouri River Basin investigations	Construction and rehabilitation advance planning	Upper Colorado River fund advance planning	Total
1946	$7,950,000	$5,040,000			$12,954,000
1947	5,469,869	4,226,100			9,695,969
1948	2,498,309	3,611,697			6,110,006
1949	4,637,087	7,325,493			11,962,580
1950	5,577,500	10,798,775			16,376,275
1951	7,539,853	12,446,784			19,986,617
1952	4,535,534	6,064,696			10,600,230
1953	4,089,242	301,930			4,391,172
1954	3,000,000	1,457,431			4,457,431
1955	3,750,000	4,316,741			8,066,741
1956	5,104,000	2,915,000			8,019,000
1957	5,680,000	2,879,500		$1,575,000	10,134,500
1958	5,932,000	2,446,118		1,142,000	9,520,000
1959	4,556,000	2,201,900		836,104	7,594,000
1960	4,668,992	1,825,125		797,550	7,294,667
BUDGET RECOMMENDATIONS					
1961	4,650,000	2,000,000	$254,000	939,000	7,842,000

EXHIBIT No. 2

RESOLUTION No. 16

GENERAL RESEARCH AND LABORATORY COSTS

Whereas the Bureau of Reclamation has been engaged in the planning, construction, and operation of projects for the development of the water resources of the West since 1902; and

Whereas the Bureau of Reclamation has continuously sought the most advanced principles and techniques to assure reliable and economical construction, and through engineering research and development has made significant and important advances in the design and construction practices that have resulted in better and more economical structures; and

Whereas the Bureau of Reclamation continues to develop and apply new techniques and materials that result in great savings on water resource projects and these are available for the benefit of and the utilization by future projects and available to public and private construction in this country and abroad; and

Whereas the full cost of such research must now be charged against current projects and projects under construction, causing an inequitable charge for the immediate benefits derived in relation to the benefits accruing to all future projects, both private and public, thereby resulting in a heavy burden being carried by current projects alone: Now, therefore, be it

Resolved, That the National Reclamation Association supports and encourages continuation of Bureau of Reclamation engineering activities and recommends that funds should be made available for such research from nonreimbursable categories.

EXHIBIT No. 3

BUREAU OF RECLAMATION

STATUS OF PLANNING ON PROPOSED OR POTENTIAL PROJECTS

A. Projects now authorized on which construction could be started if funds were made available:

1. Colorado River storage project: Curecanti unit, Colorado; Blue Mesa and Morrow Point dams and powerplants; Florida project, Colorado

2. Missouri River Basin project; Almena unit, Kansas; Yellowtail unit, Montana-Wyoming

3. Vale project, Oregon: Bully Creek extension

4. Lower Rio Grande rehabilitation project: La Feria division, Texas.

B. Authorized projects on which advance planning will probably be completed during the fiscal year 1961:

Missouri River Basin project: Chestnut Valley unit, Montana; Hardin unit, Montana; Kanapolis unit, Kansas.

C. Other authorized projects on which planning will be underway during fiscal years 1960–61:

1. Canadian River project, Texas.

2. Colorado River storage project and participating projects: Central Utah project, initial phase, Utah (exclusive of Vernal unit); Curecanti unit, Colorado (Crystal Dam and Reservoir); Emery County project, Utah; La Barge project, Wyoming; Lyman project, Wyoming; Silt project, Colorado.

3. Missouri River Basin project: Cedar Rapids division, Nebraska; Garrison diversion unit, North Dakota-South Dakota (see group F); Glen Elder unit, Kansas; Jefferson unit, Montana; Mirage Flats extension unit, Nebraska; Narrows unit, Colorado; North Loup division, Nebraska; Oahe unit, South Dakota; O'Neill unit, Nebraska; South Dakota pumping division, South Dakota (Crazy Horse, Tower, Yankton, and Greenwood units).

4. Spokane Valley project, Washington.

EXHIBIT No. 4

RESOLUTION No. 21

ADEQUATE APPROPRIATIONS FOR STARTED PROJECTS

Whereas Congress has in some instances failed to make needed appropriations for reclamation projects theretofore authorized and for which initial appropriations have been made and the project work started; and

Whereas the failure to make continued appropriations has resulted in extended delays and added costs: Now, therefore, be it

Resolved, That the National Reclamation Association urges that once a reclamation project is started, appropriations be made and sufficient appropriations continue to be made to enable the work to continue with dispatch and without increased costs resulting from time delays.

RESOLUTION No. 19

ADEQUATE APPROPRIATIONS FOR WATER DEVELOPMENT

Whereas the objective of the National Reclamation Association is the complete development of the land and water resources of the West; and

Whereas such reclamation development, being of distinct benefit to the whole Nation, has been a Federal policy for more than half a century; and

Whereas a sound reclamation program is dependent in large measure on continued and coordinated investigation, planning, research, and construction programs of the several Federal agencies concerned with water resources development; and

Whereas the accomplishment of these programs calls for adequate appropriations by the Congress: Now, therefore, be it

Resolved, That—

1. The National Reclamation Association hereby directs its officers to support before the Congress requests for sufficient appropriations to—

(*a*) Permit the Bureau of Reclamation and the Corps of Engineers to continue progressive investigations, planning, and construction programs in consonance with the needs therefor;

(*b*) Support acceleration of the Forest Service program of revegetation, watershed restoration, range improvements, and physical improvements of national forests, which will improve water production and control erosion;

(*c*) Support and continue the snow surveys and stream flow forecasting of the Department of Agriculture;

(*d*) Permit prompt and continuing acquisition, publication, and distribution by the Geological Survey of basic data respecting both streamflow and ground water resources throughout the Nation;

(*e*) Permit completion of standard topographic mapping of the United States, if possible, by the year 1970;

(*f*) Support research, investigation, and action programs in soil and water conservation, basic and essential to the sound development and full continued care of the Nation's land and water resources basinwide and in harmony with multiple-use projects development;

(*g*) Support the land capability inventory to be completed as soon as practicable;

(*h*) Support collection and dissemination of basic meteorological data by the U.S. Weather Bureau; and

(*i*) Provide for the control and eradication of noxious weeds on federally controlled lands.

2. The various departments and agencies affected should devise standards and procedures such as will eliminate or minimize duplication of investigations, research and the basic work common to more than one department or agency.

3. Information developed by the Federal Government shall be made available, at reasonable cost, to all citizens who desire its use.

4. The various affected States are urged to give full support to the foregoing program.

The above is a full, true, and correct copy of Resolution No. 19 adopted by the National Reclamation Association at its 27th annual convention held in Denver, Colo., October 28–30, 1959.

Mr. WELSH. I realize the tremendous task you have before you. It is a time-consuming task and I will take only a few moments.

First, it was my privilege last fall to attend 10 different State meetings throughout the West—State reclamation associations. I think there was great enthusiasm and a more friendly feeling generated by the action of this committee a year ago when you approved the new starts. That no-new-starts mandate was depressing to the people of the West, and they were tremendously encouraged by the action taken by this committee and very much pleased.

We note the new starts recommended this year, and we are endorsing the starts. We appreciate the starts you recommended, and we endorse those new starts that are included in the Bureau of the Budget recommendations.

As to the going projects, we think as a whole the recommendations of the Budget will take care of those in very good shape, and we are recommending approval of the recommendations for the projects that are now underway.

With respect to general investigations, we are very much concerned about that because that represents the very heart of the future of reclamation. Of course, I do not need to emphasize to you gentlemen the importance of reclamation to the entire West.

Listed along with my statement are a list of projects made available to me at our request by the Bureau of Reclamation showing the status of those various projects. We think the situation there is somewhat alarming and we do think it is important that adequate funds be made available to keep the general investigations program going, commensurate with the needs and importance of this great program for the western half of the United States.

One other item with respect to the small projects program. We of the National Reclamation Association are tremendously proud of that program. We worked for a good many years before we were able to get the law through that we thought was satisfactory. Now we are

very happy that it is working as well as it is and is proving so entirely satisfactory. Again, I want to express the appreciation of our membership and our people of the West for the friendly attitude of this committee toward the small projects.

I believe every small project has run the gamut of the 60-day waiting period before the Interior and Insular Affairs Committee and come over to you for appropriations, has been approved by this committee. We greatly appreciate that. These small projects are extremely important to the areas.

The larger projects can take care of themselves, they can get in and promote the project, but these small projects reach out into areas that are not quite as capable of supporting their programs as the larger areas.

With respect to the reclamation program, I could also have a lot to say to support the entire reclamation program, but I think Congressman Aspinall did such a much better job than I could a while ago, so I will not add anything more to that.

Then I do want to express my appreciation again. I think it is the 11th time I have appeared before your committee. We have always been treated exceptionally fine and we appreciate it, Mr. Chairman.

Mr. CANNON. Thank you, Mr. Welch.

MONDAY, APRIL 11, 1960.

WATER AND POWER RESOURCE DEVELOPMENT PROJECTS

WITNESS

ALEX RADIN, GENERAL MANAGER, AMERICAN PUBLIC POWER ASSOCIATION

Mr. CANNON. Next we will hear from Mr. Raden of the American Public Power Association.

MR. RADIN. My name is Alex Radin, general manager of American Public Power Association. We represent municipal and public utility districts as mentioned this morning in your statement, Mr. Chairman.

In the interest of time, I wish to insert my statement in the record and just comment very briefly on a few items.

Mr. CANNON. It will be made part of the record. You may proceed.

(Mr. Radin's statement follows:)

STATEMENT BY ALEX RADIN, GENERAL MANAGER, AMERICAN PUBLIC POWER ASSOCIATION

My name is Alex Radin. I am general manager of the American Public Power Association, a national trade organization representing more than 1,000 local publicly owned electric systems, mainly municipally owned systems, in 42 States and Puerto Rico. Our offices are at 919 18th Street NW., Washington, D.C.

We support economically feasible multipurpose projects, because such projects add to the national wealth and promote a more vigorous economy. We would like to go on record in favor of adequate apprpriations for fiscal year 1961 for a number of specific projects in various parts of the Nation. I will discuss these projects briefly.

THE PACIFIC NORTHWEST

A large percentage of the Nation's undeveloped hydroelectric resources is located in the Pacific Northwest. Statements concerning appropriations for Pacific Northwest projects are being submitted to your committee by Gus Norwood, executive secretary of the Northwest Public Power Association, and Ken Billington, executive secretary, Washington Public Utility Districts Association. The organizations which they represent are affiliates of the American Public Power Association. We endorse their statements, because they not only reflect the needs of the local public agencies in the Pacific Northwest, but also they recommend a program which would advance the national interest in the development of our natural resources.

A recent Department of the Interior publication, "Advance Program, 1959–69, U.S. Columbia River Power System," shows that this system was $65 million ahead of schedule on a payout basis at the end of fiscal year 1959. This report states that "in adidtion to repaying the power investment, power revenues will pay approximately $470 million of costs allocated to irrigation." Thus the region and the Nation are obtaining great benefits from multipurpose river development in the Pacific Northwest.

The Advance Program report says that Pacific Northwest power requirements served by Bonneville Power Administration are expected to double during the coming 10-year period. This shows clearly the need for steady additions to the hydroelectric output of the region.

We urge approval of the President's budget request for a new start at Green Peter Dam in Oregon, with construction funds of $1,400,000 for fiscal year 1961. In addition, we recommend another new start—at Lower Monumental Dam on the lower Snake River in Washington—which is not included in the President's budget request. The U.S. Army Corps of Engineers has spent more than $2 million in planning this multipurpose project, and construction can be started in the coming fiscal year. We recommend appropriation of $2,500,000 for construction on Lower Monumental Dam.

We recommend approval of the budget requests for the following projects: Ice Harbor lock and dam, Washington, $30 million; Chief Joseph Dam, Wash., $300,000; Hills Creek Reservoir, Oreg., $10,500,000; The Dalles lock and dam, Washington and Oregon, $1,900,000; Cougar Reservoir, Oreg., $12,300,000; John Day lock and dam, Washington and Oregon, $41,800,000; and planning funds for Little Goose lock and dam, $550,000.

The above recommendations constitute a minimum program for development of the water resources of the Pacific Northwest. Our recommendations are aimed at economical, efficient planning and construction of these projects on an orderly basis, so that electric power and other benefits may be achieved at the earliest feasible time. Unnecessary delays in planning and construction are often uneconomical and expensive, and also deprive the Government and the region of the benefits from these projects.

We would also like to recommend an increase in the budget request of $100,000 for general investigation of the Rampart Canyon site in Alaska. The Rampart Canyon site is considered the outstanding potential power development in Alaska, and we recommend an appropriation of $350,000 which we understand the Corps of Engineers can efficiently use on their study of this project in fiscal year 1961.

We also support the budget requests of the Bonneville Power Administration for $20,220,000 for construction and $10,975,000 for operation and maintenance. The Bonneville grid system is essential for the transmission of power produced at Federal hydroplants, and is also the backbone of the Northwest Power Pool which has achieved important economies in the operations of both publicly and privately owned utilities in the region.

OTHER CORPS OF ENGINEERS PROJECTS

In addition to projects in the Pacific Northwest, the U.S. Army Corps of Engineers is constructing several other important multipurpose projects in various parts of the Nation.

We recommend approval of the budget requests for construction on the following Corps of Engineers projects: Walter F. George (Fort Gaines) lock and dam, Alabama and Georgia, $20,178,000; Beaver Reservoir, Ark., $2,800,000; Bulls Shoals Reservoir, Ark. and Mo., $3,200,000 for power units 5 and 6, and

$100,000 for construction on power units 7 and 8; Dardanelle lock and dam, Arkansas, $6,100,000; Greers Ferry Reservoir, Ark., $14,143,000; Hartwell Reservoir, Ga. and S.C., $21,375,000; Barkley Dam, Ky. and Tenn., $17,100,000; Table Rock Reservoir, Ark. and Mo., $600,000; Fort Peck Reservoir, Mont., 2d powerplant, $4,500,000; Garrison Reservoir, N. Dak., $4,000,000; Eufaula Reservoir, Okla., $20,700; Big Bend Reservoir, S. Dak., $10,000,000; Fort Randall Reservoir, S. Dak., $400,000; Oahe Reservoir, S. Dak., $53,500,000; and McGee Bend Dam, Tex., $6,000,000.

The budget request includes $400,000 for a continuation of the Corps of Engineers' review of the Potomac River Basin. We urge approval of this amount as a minimum, and further recommend that the restrictions placed on the corps' study last year be removed so the corps may proceed with their review on the basis of comprehensive, multipurpose development of the Potomac River Basin water resources. Although it is recognized that electric power is not one of the principal purposes of development of the Potomac River Basin, at the same time it would appear to be entirely inconsistent with long-standing national policies to exclude electric power from studies of the Potomac River Basin. Furthermore, if this basin is to be developed for other purposes, it would be imprudent not to take advantage of the electric power potential, a potential which undoubtedly could help considerably in paying for other features of this program.

BUREAU OF RECLAMATION PROJECTS

We support the President's budget requests for appropriations for the following Bureau of Reclamation multipurpose projects:

$2,500,000 to begin construction on Yellowtail Dam in Montana-Wyoming; funds for continued construction at Glen Canyon Dam (Arizona-Utah), $35,535,000, and Flaming Gorge Dam (Utah-Wyoming), $12,000,000, in the Colorado River storage project, and for $1,400,000 to begin construction at the Curecanti project in Colorado; and $487,500 for work on the Burns Creek project (Idaho), assuming that the authorizing legislation will be approved this year.

Two of these projects—Yellowtail and Curecanti—are new starts, and we especially recommend approval of the requested appropriations so that the development of feasible multipurpose sites may continue at a reasonable rate.

CALIFORNIA—TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT

The budget request for fiscal year 1961 for the Bureau of Reclamation includes $13,861,500 for power facilities and transmission at the Trinity River Division of the Central Valley project in California. This includes $4,087,500 for Trinity powerplant; $4,790,000 for the Clear Creek powerplant; $4,020,000 for the Spring Creek powerplant; $5,000 for planning of the Lewiston powerplant; and $959,000 for a Trinity-Keswick transmission line.

We urge approval of these funds so that planning and construction of the power facilities may proceed at an orderly, efficient, and economical rate.

TRANSMISSION FACILITIES—BUREAU OF RECLAMATION

The budget request for the Bureau of Reclamation includes funds for a number of Federal transmission lines which are needed to economically market federally generated power.

We support the request for $2,997,000 for continued work on transmission lines from the Missouri Basin project into Iowa. These lines, for which initial appropriations were approved last year, will permit a number of municipal electric systems and rural electric cooperatives in western Iowa to obtain Missouri Basin power, and will provide an additional market for this federally generated power.

In addition, we recommend an appropriation of at least $5 million to begin work on key Federal transmission lines in connection with the Colorado River storage project. Funds for this purpose are not included in the President's budget requests. This committee has received testimony from the Colorado River Basin Consumers Power, Inc., a group of preference customers in the States of Colorado, New Mexico, Utah, Wyoming, and Arizona concerning the urgent need for appropriations to enable the Bureau of Reclamation to proceed with work on transmission facilities.

We support the testimony of this consumer organization, which has had an engineering study made by the Kuljian Corp. on the need for an adequate Federal transmission system in connection with the Colorado River storage project.

The Kuljian Corp., report indicates the urgent need that funds be made available to start construction in the summer of 1960 on transmission lines from Flaming Gorge to Oak Creek, and from Glen Canyon to Farmington and Curecanti. We urge the committee to appropriate funds to start construction on these lines, and also to make available funds for rights-of-way, design, and other preconstruction work on Federal transmission lines from Glen Canyon to Phoenix, Glen Canyon to Albuquerque, Glen Canyon to Provo-Vernal, and Flaming Gorge to Sinclair, Wyo.

House Document No. 1087 of the 84th Congress makes it clear that the Congress intended that, under power marketing arrangements for the Colorado River storage project, "power preference laws are complied with and project repayment and consumer power rates are not adversely affected."

It is apparent from the engineering studies by the Kuljian Corp. that the preference customers in the five-State area will be able to use all the firm power output of the Colorado River storage project; that the sale of this power at firm power rates is vital to enable the project to meet payout requirements and to proceed with further reclamation development as envisioned by Public Law 485 of the 84th Congress; that an adequate Federal transmission system is essential to equitable marketing of this power to the preference users at reasonable rates; and that the proposed private utility transmission system is inadequate in terms of the requirements of the Federal Government, the reclamation needs of the area, and the power requirements of the preference users.

As the engineering report points out, "Too long delay has already occurred and transmission line construction must be provided for in 1960 to meet the dates of initial power production from project plants." We therefore urge that adequate funds, a minimum of $5 million, be made available to the Bureau of Reclamation for fiscal year 1961 for work on Federal transmission lines in connection with the Colorado River storage project.

Mr. RADIN. Before I start, I would like to express appreciation of our association for the fine work of this committee, and particularly the chairman, over the years. I think the outsanding payout record of the Federal power projects indicates the care and diligence with which this committee has proceeded in authorizing funds for these projects. As the chairman has said, they are all paying out with interest and have proved to be very fine investments for the country.

The first item I would like to comment on is one that has been covered extensively this morning. I will not cover it with any great detail, but I would like to indicate the support of our association for the transmission line program in the upper Colorado storage project as advocated this morning in testimony by Mr. McPhail and others. Our association, as I indicated, represents municipally owned utilities and other public utility districts and they, together with the rural cooperatives, are preference customers and can and will use all of the power that is made available from the upper Colorado storage project.

It does not seem to us logical to have the private power companies interpose a tollgate between the Federal power project and these preference customers who are entitled by law to obtain the benefits of these projects. We feel it is fully justifiable to have the Federal Government build these transmission lines as proposed because they will pay out in full with interest and, in the long run, will make more money available for reclamation, which is the primary purpose of that project.

I would like to indicate our association's wholehearted endorsement of that project.

In the Pacific Northwest I would like to comment on just a couple of projects. Again, in line with what the chairman indicated this morning, I think it is of interest to note that the Bonneville Power Administration is now $65 million ahead of payout schedule on the

projects in that area and, in addition, power is going to pay about $470 million of other costs allocated to irrigation. Again we have a very good example of how those projects are beneficial to the whole country and to others than just the power consumers.

The President in his budget message has indicated his support for a new start at Green Peter project in Oregon. We would like to support that request in the President's budget, which is for $1,400,000.

In addition, however, we would like to recommend a new start on the Lower Monumental project, which is on the Lower Snake River. We would like to ask $2,500,000 to start work on that project. Two million dollars have already been spent in the planning of that project, so it is now ready for construction. It is one of four dams that can be built in stages on the Lower Snake River.

The Ice Harbor project is already well underway, and this is the logical next step in the development of that stretch of the river. We firmly believe it should be started this year.

I would like to make one correction in my printed testimony, the one I submitted. We have asked for $41,800,000 for the John Day project, which was what was requested in the President's budget. However, it is our understanding there have been some very favorable bids received and that that amount can be cut to $37 million. I would like to amend my statement so that that amount is shown as a reduction to $37 million rather than the original request of $41.8 million.

Another item I would like to comment on is planning funds for the Rampart Canyon project in Alaska. $100,000 has been requested for the planning of that project. We would like to request that that be increased to $350,000, which I believe is what has been indicated by the Corps of Engineers could be used. I had the privilege, on coming back from the Soviet Union to inspect the hydroelectric projects there with the Senate committee last year, to fly over the Rampart Canyon site on the Yukon River. It is a magnificent power project site. I believe about 4 million kilowatts can be developed there at an extremely low cost of power. We fully believe that the work on planning of that project should be accelerated.

One more item I would like to comment on is the Trinity project in California. I would like to endorse the request in the budget for $13,861,500. That project, as the committee knows, is well underway as far as the dam is concerned. There was some delay in getting the power facility started. We believe that the appropriations should be made on schedule so the power can be produced at that project just as expeditiously as possible to keep pace with the construction of the dam itself, which is well underway.

One final item I would like to comment on is in the Potomac River Basin. I believe last year a restriction was placed in the planning funds for the Potomac River to prohibit the use of those funds for planning or considering hydroelectric development in the Potomac River. We have never felt hydroelectric power should be the principal purpose of development of the Potomac River. There are many other very important purposes, primarily water supply; but if there is going to be development of the Potomac River, certainly hydroelectric power should not be excluded from the planning of that pro-

ject because we have already seen in the other sections of the country that hydroelectric power can be used to help pay for the cost of that project.

It just does not seem to us consistent with long policies to prohibit the Corps of Engineers from considering at least the use of the Potomac River for hydroelectric power. We would like to ask that that restriction, which was placed in the budget last year, be eliminated.

Mr. Chairman, I appreciate very much the opportunity of appearing here today. That will conclude my statement.

Mr. CANNON. Thank you, Mr. Radin. That is a very comprehensive statement.

MONDAY, APRIL 11, 1960.

YELLOWTAIL DAM

WITNESS

JOSEPH A. McELWAIN, ATTORNEY, DEER LODGE, MONT.

Mr. CANNON. Mr. McElwain.

Mr. MCELWAIN. My name is Joseph A. McElwain, attorney residing in Deer Lodge, Mont. I appear here today to file for the record a statement of Sam B. Chase, senior vice president and counsel of the Montana Power Co., regarding the Yellowtail unit of the Missouri River Basin project.

Mr. Chase was unable to appear in person today because of illness. I ask that Mr. Chase's entire statement be inserted in the record at this point.

Mr. CANNON. It will be made part of the record.

(The statement follows:)

STATEMENT OF SAM B. CHASE ON BEHALF OF PACIFIC POWER & LIGHT CO. AND THE MONTANA POWER CO.

I am Sam B. Chase, senior vice president and counsel of the Montana Power Co. I am appearing to renew the proposal by Pacific Power & Light Co. and Montana Power under which these companies would construct the power plant, switchyard, and associated transmission facilities at the Yellowtail project, as hereinafter set forth, the dam and irrigation facilities to be constructed by the Government.

We would also make an annual payment to the United States for the use of the dam and falling water, sufficient to repay to the Government, during the 50-year period of a Federal Power Commission license, the interest-bearing amount allocated to commercial power, together with interest on that amount.

Before discussing this proposal in detail, I should like to describe briefly the facts which make the development of power at Yellowtail by these two companies highly desirable in the interests of Montana and Wyoming, and the citizens of those States, as well as the United States generally.

Pacific Power & Light Co. (Pacific) supplies electric service in Oregon, Washington, Idaho, Montana, and Wyoming. In Wyoming the northern edge of its service area is only about 30 miles from Yellowtail Dam site. Its Wyoming service area covers 18,000 square miles and extends from the Montana-Wyoming border near Frannie to Rawlins and Laramie in southern Wyoming. This territory includes Casper and the cities of the Bighorn River Valley. Pacific's Wyoming customers number 40,000. The company serves 35 percent of the entire population of the State of Wyoming.

The Montana Power Co. (Montana) has a total of nearly 150,000 electric customers in Montana. Its electric service area extends some 400 miles east and west and about 240 miles north and south. In that area Montana furnishes electricity to a little more than half a million people, some 75 percent of the population of Montana. Billings, a major load center, is less than 50 miles from Yellowtail.

Pacific's 161 kilovolt transmission line between Billings and Casper crosses the Bighorn River at the Yellowtail Dam site, where Pacific has a substation. A 115 kilovolt line, owned by the Bureau of Reclamation, ties into this substation and connects with the Bureau's and Pacific's transmission systems near Lovell, Wyo.

Under the proposed plan Pacific and Montana would have a market for Yellowtail power as soon as it becomes available. That power would, from the first day, be used for the benefit of the people of Wyoming and Montana, the two States affected by the construction of the project.

Among those so benefited would be the members of 13 Montana REA's. Montana Power supplies the entire requirements of eight Montana REA's, and a substantial portion of the demands of five others. In 1959 the five REA's in the general area of Yellowtail purchased from Montana 56,127,944 kilowatt-hours at an average rate of 4.83 mills per kilowatt-hour.

Such an arrangement would be in accordance with the principle of reserving at-site power and energy from a project for serving the loads of the States in which the project is located.

Strong interest in constructing the power facilities by local utilities for the benefit of the residents of the area has been expressed before congressional committees for at least 12 years. J. E. Corette, now Montana's president, testifying before the Appropriations Committee of the House on April 6, 1948, stated, "We would like to have an opportunity to build the powerhouse and power facilities and all the transmission lines in connection with the Yellowtail project." This statement has been repeated over the years at various congressional hearings.

The proposal really came to a head in the spring of 1955, when the Senate Subcommittee on Irrigation and Reclamation was considering Yellowtail. The subcommittee staff inquired of Pacific and Montana whether they were interested in making a proposal for constructing the powerplant and related facilities. On March 22, 1955, the presidents of both companies sent a telegram to Hon. Clinton P. Anderson, chairman of the Subcommittee on Irrigation and Reclamation, expressing interest in such an arrangement.

The companies immediately commenced an intensive study of the matter; on April 5, 1955, Under Secretary Clarence A. Davis wrote a letter to the companies, outlining matters to be considered in any submission by them and suggesting that any proposal should be in his hands not later than May 1; on April 13, 1955, the companies answered that letter, outlining the progress of the study, and stating that prior to the end of April they would be able to submit either a definite proposal or a detailed report of their findings and conclusions up to that time. On May 3, 1955, the companies wrote Under Secretary Davis outlining, subject to further engineering studies and review, a definite proposal. The Under Secretary on May 6, 1955, transmitted a copy of the proposal to Senator Anderson.

The companies continued their studies and on April 25, 1956, submitted to Under Secretary Davis a specific written proposal, based on the estimates by the Bureau, and offering to make an annual payment of $1,142,000 to the Government for the use of the reservoir and for falling water. A copy of that letter is attached to this statement.

The companies have continued their active interest in the matter, and have revised their proposal in accordance with the Bureau of Reclamation figures dated January 26, 1960.

The companies now offer—

(1) To construct, own and operate under a Federal Power Commission license the Yellowtail powerplant, switchyard and transmission facilities necessary to transmit the power to load centers in Wyoming and Montana, the dam and irrigation facilities to be built by the United States.

(2) To negotiate with the Bureau of Reclamation the amount of an annual payment to be made to the Government for the use of the reservoir and for falling water, on the basis of repaying to the Government over the 50-year period of a Federal Power Commission license the interest-bearing portion

of the Government's investment in the dam and reservoir properly allocable to commercial power, together with interest on that amount.

(3) To make available energy required for irrigation users at 2.5 mills per kilowatt-hour to the extent indicated in the Bureau's figures of January 26, 1960.

(4) This offer recognizes that the reservoir will be operated in such a manner as meets the requirements of water conservation, flood control, and irrigation.

This proposal would result in the following additional benefits to Federal, State, and local governments over the 50-year period:

1. The Government's initial construction cost will be reduced by approximately	$56,403,000.00
2. The companies would pay Federal income taxes estimated at	22,424,000.00
3. The companies would pay State and local taxes estimated at	10,895,000.00
Total	89,722,000.00

Under this proposal the two companies would expect to develop and market the same quantity of power and energy as the Bureau has proposed in its studies dated January 26, 1960. By integrating production at Yellowtail with production at other plants on their systems through existing transmission facilities, and by distributing Yellowtail power and energy throughout Montana and Wyoming, where the companies presently serve some 190,000 customers, the two companies will provide the widest possible market for the power and will benefit a maximum number of electric customers in the two States.

We have not had an opportunity to review this proposal with the Bureau of Reclamation. Being convinced that this offer will provide the maximum benefits to the taxpayers and the electric users of Wyoming and Montana, as well as resulting in a very substantial saving to Federal taxpayers, we respectfully request that the Bureau of Reclamation be requested to negotiate with Pacific and Montana with reference to the companies' proposal and to report to the Congress on such negotiations within 12 months.

Pacific and Montana greatly appreciate this opportunity to appear before your committee in connection with the above proposal.

THE MONTANA POWER CO.,
Butte, Mont., April 25, 1956.

Re Yellowtail partnership.

Hon. CLARENCE A. DAVIS,
Under Secretary of the Interior,
U.S. Interior Department,
Washington, D.C.

DEAR SECRETARY DAVIS: In accordance with the plan outlined to you in our letters of April 13 and May 3, 1955, The Montana Power Co. and Pacific Power & Light Co. have continued to study the Yellowtail project and desire to report to you at this time on the status of our joint studies and to reaffirm our active interest in working out with the Government a proposal for development of the Yellowtail project in Montana and Wyoming under a partnership arrangement.

Our studies have progressed to such a point that we now feel in a position to make a definite proposal to the Government, as follows:

(1) Pacific Power & Light Co. and the Montana Power Co. offer to construct, own, and operate the Yellowtail powerplant, switchyard, and transmission facilities necessary to produce and transmit the power to load centers in Wyoming and Montana. The dam and irrigation facilities would be constructed by the Government.

(2) The two companies will pay the Government an annual rental for the use of the reservoir and for falling water of $1,142,000.

(3) Energy will be supplied without cost up to an annual total of 24,400,000 kilowatt hours for the Hardin irrigation pumping plant at the dam, which quantity of energy represents the differential required to compensate for taking the irrigation water out below the dam instead of above.

(4) Additional energy required for irrigation users will be made available at 2.5 mills per kilowatt hour.

(5) This offer recognizes reservoir operation in such a manner as meets the requirements of water conservation, flood control, and irrigation.

This proposal will save the Federal Government an initial capital investment of approximately $51,500,000. In addition, the proposal will, through tax payments by the companies and participation in operation and maintenance costs, benefit the Federal and State governments by about $30 million as compared with Yellowtail as an all-Federal project. These benefits are summarized below:

1. An initial reduction of construction expenditures of approximately	$51,500,000
2. An additional benefit to the government from the partnership plan:	
(a) Federal income taxes over the 50-year period, estimated at	18,100,000
(b) State and local taxes, estimated at	9,500,000
(c) Repayment of operating expenses and replacement replacement reserve on the dam, approximating	2,400,000
	30,000,000
Total benefits from partnership proposal	81,500,000

The two companies believe that their offer of $1,142,000 annually for the use of the dam and falling water is sufficient to repay to the Government, during the 50-year period of a Federal Power Commission license, the interest-bearing portion of the investment in the dam, which is the full amount allocated to commercial power, $32,379,699, together with interest on that amount. The non-interest-bearing portion of the power investment assigned to irrigation would be repaid to the Government in an additional 9.4 years if payments continued at the same rate.

Under this partnership proposal, the two companies would expect to develop and market the same quantity of power and energy as the Bureau has proposed in its studies. By integrating production at Yellowtail with production at other plants on our systems and by distributing Yellowtail power and energy throughout the Montana and Wyoming where we presently serve some 170,000 customers, the two companies will provide the widest possible market for the power and will benefit a maximum number of electric customers in the two States. We have discussed this project with Montana-Dakota Utilities Co. and plan to sell that company 25,000 kilowatts of Yellowtail power if this partnership proposal is consummated.

We firmly believe that our present offer for a partnership arrangement will provide the maximum benefits to the taxpayers and electric users and, at the same time, will reduce the demands on the U.S. Treasury.

We respectfully submit the above proposal and comments and await your views on the matter.

Sincerely,

THE MONTANA POWER CO.,
J. E. CORETTE,
President and General Manager.
PACIFIC POWER & LIGHT CO.,
PAUL B. MCKEE, *President.*

Mr. MCELWAIN. Mr. Chase's statement renews a proposal by Pacific Power & Light Co. and the Montana Power Co. under which these companies would construct the powerplant, switchyard and associated transmission facilities at the Yellowtail project.

Briefly, the companies' offer is as follows:

(1) To construct, own, and operate under a Federal Power Commission license the Yellowtail powerplant, switchyard, and transmis-

sion facilities necessary to transmit the power to load centers in Wyoming and Montana, the dam and irrigation facilities to be built by the United States.

(2) To negotiate with the Bureau of Reclamation the amount of an annual payment to be made to the Government for the use of the reservoir and for falling water, on the basis of repaying to the Government over the 50-year period of a Federal Power Commission license the interest-bearing portion of the Government's investment in the dam and reservoir properly allocable to commercial power, together with interest on that amount.

(3) To make available energy required for irrigation users at 2.5 mills per kilowatt-hour to the extent indicated in the Bureau's figures of January 26, 1960.

(4) This offer recognizes that the reservoir will be operated in such a manner as meets the requirements of water conservation, flood control, and irrigation.

This proposal would result in the following additional benefits to Federal, State, and local governments over the 50-year period:

1. The Government's initial construction cost will be reduced by approximately	$56,403,000
2. The companies would pay Federal income taxes estimated at	22,424,000
3. The companies would pay State and local taxes estimated at	10,895,000
Total	89,722,000

Mr. CANNON. May I ask you whether there is any authorization by law for making this a partnership project?

Mr. MCELWAIN. There is no authorization by law at the present time. The history of this is as shown in Mr. Chase's statement, going back to some time in 1955 when the Senate Subcommittee on Irrigation and Reclamation requested from these two companies a statement as to whether or not they were interested in this sort of thing.

In 1956 they presented to the Department of the Interior a letter indicating interest in this proposal, making a concrete proposal to Under Secretary Davis at that time.

Mr. CANNON. But there is no statute authorizing it?

Mr. MCELWAIN. No, sir; I believe this project was first in the 1944 Floor Control Act.

Mr. CANNON. You realize this committee, being merely an Appropriations Committee, has no authority to consider legislation and would, therefore, be unable to recommend any appropriation for any object not authorized by law.

Mr. MCELWAIN. We recognize that the committee has not the authority to do this. We present this to the committee for the reason that here, as we view it, is an opportunity for the committee to save some construction money on this project, to get it on the line with an actual construction saving of some $56,403,000; that if the committee saw fit, that that was the sort of thing they would like to see done in this type project, the Bureau might receive in your report the views of the Appropriations Committee.

Mr. CANNON. Thank you. The committee will stand adjourned until 2 o'clock.

AFTERNOON SESSION

OREGON PROJECTS

WITNESSES

CAPT. LEW RUSSELL, JR., VICE PRESIDENT-GENERAL MANAGER, TIDEWATER SHAVER BARGE LINES
PAUL HOCHELLE

Mr. RABAUT. The first projects we will hear this afternoon are the Oregon projects, with Capt. Lew Russell and Mr. Paul Hochelle.

Captain RUSSELL. I am Capt. Lew Russell, Jr., vice president and general manager of the Tidewater Shaver Barge Lines. I would like to make a short statement for the record.

Mr. RABAUT. You may proceed.

Captain RUSSELL. First I would like to say that I endorse 100 percent the statement to be made by Inland Empire Waterways representative, Mr. Herb West, and the items I wanted to cover are rather brief.

Last year our company moved a little less than 1 million tons on the Columbia River tributaries. This year we will move over 1 million tons.

We have a 70-mile stretch of rapids which is one of the most difficult water areas in the world to navigate. With the completion of the John Day Dam it will eliminate this 70-mile stretch. We hope we can get a start on the Lower Monumental Dam. That plus the Ice Harbor Dam, adding an extension of 70 miles farther up the Snake River will bring us into a territory where we will be able to make transportation saving to several hundred thousand people.

The completion of these two steps will affect approximately 5 million to 6 million tons of transportation at a savings to the farmers of 50 percent of their present transportation costs.

I would like to point out that in this area grain is hauled for one-third less than it was during the depression, and that in the areas we cannot reach the rail rates are 200 percent above the depression rates of 1932.

Another item I would like to emphasize is the fact that these rate savings will go directly to our customers, because if we do not immediately forward them somebody else will come in and show us how to do the job and pass that savings on.

I think that covers the point I have in mind.

Mr. RABAUT. Have you any other statement?

Captain RUSSELL. No, sir.

Mr. RABAUT. Mr. Hochelle?

Mr. HOCHELLE. My name is Paul Hochelle. I am a transportation consultant in Portland and represent bargelines and graingrowers and dealers and port districts on transportation matters.

I am sorry I do not have a prepared statement. I would like to make a few extemporaneous remarks if I may.

Mr. RABAUT. Proceed.

Mr. HOCHELLE. I wish at this time to endorse a statement to be presented here later today by Mr. Herbert G. West, the executive vice president of Inland Empire Waterways Association.

One thing that I would like to state before this committee is that we are very conscious of the river transportation on the Columbia River.

Looking at our charts and the normal progress of construction, my clients as shippers who are already on the navigable portion of the river, recognize tremendous savings.

At this time we are interested in appropriations mainly on the lower Monumental, which amounts approximately to the sum of $5 million.

If this dam is completed under its normal schedule, we will accomplish savings for farmers and dealers in the area which they do not enjoy at present, and it is a very heavy wheat growing and producing area.

At present, for instance, certain dealers and farmers, in constructing their storage facilities, are at a standstill because of the project's uncertainty, not knowing whent they will be projected, and therefore the economy is at a standstill so far as grain dealerships are concerned.

Again I would urge this committee to approve a recommendation of $5 million to commence the lower Monumental project.

Mr. RABAUT. Thank you, gentlemen.

GERING AND MITCHELL VALLEY

WITNESS

HON. DONALD F. McGINLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. RABAUT. Congressman McGinley. I understand you will address yourself to the Gering and Mitchell Valley flood control project.

Mr. MCGINLEY. Yes, sir. I want to come before your committee, Mr. Chairman and members, to ask for your continuing support of the Gering and Mitchell Valley flood control project which was labeled as a "new start" last year. I wish to thank the committee for recognizing the need then and making the appropriation requested last year.

We have made a good start in planning a rather difficult project out there, and I have a statement to file for the record on behalf of Robert B. Colson, president of the Gering-Fort Laramie Irrigation District.

(The statement follows:)

STATEMENT OF ROBERT B. COLSON, PRESIDENT, GERING-FORT LARAMIE IRRIGATION DISTRICT, GERING, NEBR., BEFORE THE SENATE PUBLIC WORKS APPROPRIATION COMMITTEE, APRIL 5, 1960

The Gering-Fort Laramie Irrigation District and the Gering Irrigation District ask you to give us your favorable consideration for further immediate appropriation of $530,000 as budgeted for fiscal year 1961 for the Gering Valley flood control project.

The requested amount of $530,000 is necessary to supplement the funds already appropriated in 1959 for planning and construction on this project. The need for alleviating the serious flood damage being done each year in this valley and for allaying the terrific erosion being caused by these floods grows more urgent with each passing day, as evidenced by the following facts:

1. This catastrophic problem has been in existence since 1947.

2. Beginning in 1947 we have had major floods in every year except three, several in some, the latest and most disastrous being in June 1958.

3. The local effort of the irrigation districts to protect against floods for the past 13 years averages about $48,000 per year. This does not include the immense damage to roads, lands, crops, public bridges, or railroads.

4. Scotts Bluff County has spent in excess of $590,000 in the repair and replacement of bridges and roads in Gering Valley in the past 13 years. There is still repair and replacement work to be done estimated at a quarter of a million dollars, which cannot be done by the county because of lack of funds.

5. The Gering Irrigation District which operates within this area has suffered such severe financial reverses from these continuous floods that it can operate only on short-term loans at a high rate of interest.

6. There is most acute danger of floods destroying an irrigation canal crossing over the Gering drain and should this happen no crops will be raised in this area until the structure is replaced and protected by adequate flood control measures.

7. In 1948 Congress authorized the Corps of Army Engineers to make an investigation, and the project was approved by the corps.

8. In 1958 the Gering Valley flood control project was authorized by Congress, after being authorized and vetoed twice before.

9. In 1959 $341,000 was appropriated by Congress for fiscal year 1960 for planning and for a start on construction.

10. An estimated $100,000 will have been spent by the Army Engineers in preconstruction planning and designs between October 1959, and next June 30. This will all be wasted if construction does not go on without interruption.

11. Due to the frequent onslaught of these floods the physical conditions along the stream progressively worsens, and the Corps of Engineers have been unable to keep their planning and designs up to date.

12. Local agencies and interests are willing, and have offered, to provide the necessary local cooperation as soon as construction is started.

13. Any further delay in getting on with the construction of this project will only subject the whole valley to further deterioration.

14. Delay to date has multiplied many times over the cost of remedial measures; more delay will only pyramid the costs.

We urge you, our friends who know our problem, to support us in this request, to the end that a valuable piece of America may be saved from utter ruin.

Mr. McGinley. I also would be remiss in my duties, Mr. Chairman, if I did not give my support for the general schedule of flood control and reclamation projects for Nebraska, a good many of which lie within my own Fourth District—the Farewell project, which asks for a sizable amount of $7,700,000 this year. This is in the principal stage of its development for the continuation of the Sargent unit development, and also very important is the request of $1,270,000 for the Pine Bluff-Sidney transmission line.

We had some difficulty in getting that approved in the first instance last year, but they have completed all of their purchase of right-of-way and done their final engineering for the line, and they are in a position now to proceed with installing the line and completing three substations in western Nebraska. It will be an integral development in electric power lines running from Kortes Dam in Wyoming and completing a loop down into northeastern Colorado, and western Nebraska.

Mr. Chairman, I also have the duty to report to this committee, in compliance with your request made last year, concerning the Ainsworth irrigation project in Nebraska. I have a formal statement I would like to file on that at this time.

(The statement follows:)

Statement of Congressman Donald F. McGinley

Mr. Chairman, I come before your committee today to comply with your previous request to keep you informed concerning the legal status of the Ains-

worth Irrigation District, in the State of Nebraska, a project sponsored by the Bureau of Reclamation. Last year your committee did not honor the requested amount, $2 million, for this project because of your general policy of withholding appropriations when a particular project is in the course of litigation before a State supreme court. The main issue of the litigation on appeal before the Nebraska Supreme Court was that the concept of the irrigation project in diverting water from the Snake River watershed across several small streams or watersheds and into the Niobrara River watershed constituted a violation of the State law prohibiting diversion of water for irrigation purposes from one watershed to another.

Last Friday, on April 8, 1960, the Nebraska Supreme Court upheld and affirmed lower court and administrative board decisions and found, in effect, that the Snake River is a tributary of the Niobrara River and that, for the purposes construing the statutes, the Snake River area is within the Niobrara River watershed, and that therefore, there is no violation involved in the water use proposed. In my opinion, this main decision by the supreme court has removed the obstacle that existed last year in the proposed appropriation of funds for the project by Congress.

On behalf of the opponents of the project and their attorneys, I am submitting a letter I received this morning from Mason, Knudsen, Dickeson & Berkheimer of Lincoln, Nebr., in which it is the stated intention of the opponents to file a motion for rehearing of the recent decision, and that any unfavorable ruling on this motion for rehearing will be appealed to the Supreme Court of the United States. Undoubtedly, this postdecision action will continue the matter in controversy for a yet undetermined time, and of course, the decision which grants the water rights to the Ainsworth irrigation district will not become final or effective until all legal appeals are accomplished.

Mr. Floyd Dominy, Commissioner of the Bureau of Reclamation, has stated unequivocally that there will be no construction begun or prime contracts awarded until all litigation is completed, with an ultimate decision upholding the recent action of the supreme court. Therefore, in my opinion, nothing has been lost by this committee's action in refusing an appropriation for the budget year of 1960.

Under State law, whereby water rights have been granted to the Ainsworth Irrigation District, construction must be started within 6 months after the final effectiveness of the grant of water rights, or else the water rights grant will lapse. Therefore, considering the uncertain time element involved in the complete and final determination of all legal appeals on this matter, I am not prepared to accept the responsibility for a possible lapse in the water rights grant to the Ainsworth Irrigation District by suggesting that this committee do not make an appropriation for the budget year of 1961.

The amount requested in the 1961 budget is $1,500,000. The quarrel and differences of opinion about this controversial project that will continue to exist, are concerned with the need for the project and its economic justification. This matter has been determined by a previous Congress—by the authorization which passed in 1958. I see no possibility of Congress acting to deauthorize the bill of authorization.

Last year, it was my opinion that because of the pending litigation, the funds requested for Ainsworth could not be used. At the same time, there were three flood control projects in Nebraska which were considered new starts and which were badly in need of construction funds. I think time has proven that Ainsworth has not lost because no appropriation was made in the 1960 budget and that the flood control projects—Gering Valley, Salt-Wahoo and Red Willow—gained considerably. I believe this was legislating the expenditure of public funds in the best possible manner, especially at a time when Congress must accommodate a huge defense program and when the demand for funds for domestic development is so competitive.

Therefore, from the standpoint of last year's reasons for no appropriation, I do not honestly see that there is any ground remaining to justify a refusal of a beginning appropriation. It is a matter for this committee to decide whether or not the funds requested by the Bureau of Reclamation can be utilized in the fiscal year of 1961, based on information given by the Department of the Interior. A grant of an appropriation to begin construction will not, in my opinion, prejudice the rights of the opponents to make further apeals from the recent April 8 decision by the Nebraska Supreme Court.

Mr. McGINLEY. Last year the committee did not see fit to honor the requested amount of $2 million for the Ainsworth project because it was in the course of litigation before our State supreme court.

I was requested by the committee to keep you informed as to the status of that litigation.

On last Friday, April 8, 1960, the Nebraska Supreme Court upheld and affirmed the lower court in administrative decisions, and therefore so far as that decision is concerned OK'd the project as far as its alleged controversy with Nebraska State law.

The point in litigation there was that the concept of the project planned that water from the Snake River be diverted across several small streams or watersheds into an area known as Niobrara River watershed, and the summarized statement of the supreme court decision states this:

The supreme court found that the Snake River watershed was part of the Niobrara River watershed and therefore was no violation of the State law prohibiting diversion of water from one watershed to another.

I make no bones about it—that this particular project on which construction has never yet begun is a very controversial one in my district, but I feel that by the lack of an appropriation made last year that nothing at all has been lost because the Commissioner of Reclamation has unequivocally stated a number of times there will be no construction begun on this project and no price contracts awarded until all litigation is cleaned up.

I also have been requested to file with the committee a letter from the attorneys for the opponents of the project which I would like to insert as part of the record.

(The letter referred to follows:)

LINCOLN, NEBR., *April 8, 1960.*

Re Ainsworth unit, Missouri River Basin project.

COMMITTEE ON APPROPRIATIONS
(Attention Subcommittee on Public Works).
House of Representatives, Washington, D.C.

GENTLEMEN: This office represents the parties opposing construction of the Ainsworth unit, some of whom have been and are parties litigant before the Supreme Court of Nebraska.

It is the present intention of our clients to file a motion for rehearing of the decisions and opinions of the Nebraska Supreme Court entered April 8, 1960, on or before April 28. Since there are issues involving possible violations of provisions of the U.S. Constitution present in these matters, any ruling on the motion for rehearing unfavorable to our clients will be subject to appeal to the Supreme Court of the United States.

Therefore, we respectfully suggest to the committee that consideration of any appropriations for this project be postponed until such time as the litigation concerning legality of the project has been completely settled.

Sincerely yours,

MASON, KNUDSEN, DICKESON & BERKHEIMER,
By ROGER DICKESON.

Mr. McGINLEY. This states, Mr. Chairman, that it is the intention of the clients who are opponents of the project to file a motion for rehearing of the decision entered by the State supreme court last Friday, and they also intend on any unfavorable ruling on that motion to appeal it to the Supreme Court of the United States on constitutional grounds.

This may delay the final mandate or opinion of the Supreme Court for some time but it is a time yet undetermined; and if an appropriation is not made to begin construction, under Nebraska law the water rights granted to the Ainsworth District will lapse until construction is begun within 6 months after the final decision of the Supreme Court.

In the decisions as to the economic justification of the project and the need for it, I feel, Mr. Chairman, they were decided in Congress in 1958 when this project was authorized, and I am not prepared to take the responsibility of suggesting that this committee defer from asking a beginning appropriation in this matter from the standpoint of the possible loss of water rights to the Ainsworth Irrigation District.

Therefore I would request that you consider the amount which has been requested, the amount of $1,500,000, and determine from the information given to you by the Department whether or not this amount can be justifiably expended in the fiscal year, bearing in mind that any loss of appropriation is likely to jeopardize the water rights which are the basic part of the irrigation district's proposed operation.

This completes my statement.

Mr. RABAUT. Thank you very much, Congressman.

Mr. JENSEN. The committee was informed last year during the hearings, or during the markup of the bill, that at that time you did not favor this project for certain reasons.

Now, since the supreme court has passed on this project, do we understand you are now for the project?

Mr. MCGINLEY. I can take no other position, Mr. Chairman, than to support a beginning appropriation.

Mr. JENSEN. All right.

The reason I ask that is because I do not think this committee has ever appropriated money for a project in a district where the Congressman did not favor the project.

I merely wanted you to understand why the committee last year felt it was not our duty at that time to appropriate for this project, and that is why I asked you the question I did.

Since the supreme court has ruled you now favor the project?

Mr. MCGINLEY. I do not favor the project in all its aspects, Mr. Jensen, although I am not able to argue successfully against the facts and statistics given by the Bureau of Reclamation.

I will not bleed over this matter any longer. The Bureau is convinced that it can build a successful project up there. Congress has authorized this project. I am here to suggest that a beginning appropriation be made.

Last year I felt honestly, and I said so before the committee, that the No. 1 project that needed attention in Nebraska was the Gering Valley project which was considered a new start.

That has been launched and we gained a great deal and lost nothing but last year's failure of appropriation on this.

Mr. JENSEN. A number of years ago I traveled quite extensively over this area and I felt as an irrigation project it was considerably above the average project.

I am pleased to have you say that now you feel the appropriation should be made.

Mr. McGINLEY. Yes.

Thank you, Mr. Jensen and Mr. Chairman.

UPPER COLORADO RIVER STORAGE PROJECT

WITNESSES

HON. WALTER S. BARING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA
JOHN W. BONNER, SPECIAL ASSISTANT ATTORNEY GENERAL, NEVADA
A. J. SHAVER, CHIEF ENGINEER, NEVADA

Mr. RABAUT. Congressman Baring.

Mr. BARING. Inasmuch as our Governor could not attend at this time, I would like to introduce Mr. John Bonner, attorney for the Colorado River Commission of the State of Nevada, and Mr. A. J. Shaver, chief engineer for the Colorado River Commission.

Mr. BONNER. We have given the clerk prepared statements which we would like to have made part of the record.

I would like to supplement the statement with some oral testimony.

(The statement referred to follows:)

To the Honorable Public Works Subcommittee of the House Appropriations Committee:

Comes now the State of Nevada through its Colorado River Commission, represented by A. J. Shaver, chief engineer, and John W. Bonner, special assistant attorney general, and respectfully represent as follows, to wit:

I

That the Colorado River Commission of the State of Nevada is legally authorized to represent the State in all matters of power and water pertaining to the Colorado River.

II

That we support the budget request submitted and respectfully urge that in planning the transmission lines a study be made of the feasibility of a transmission line connecting the Glen Canyon and Hoover power plants. Such a line would be in conformity with section 7 of the Colorado River storage project which provides for interconnection of Federal powerplants. This line, approximately 200 miles long, could be routed near the Bridge Canyon Dam site. It is almost certain that the rapidly expanding power market of the southwestern United States will require the construction of Bridge Canyon Dam and powerplant within a few years. The output of that plant could then be connected to that of other Colorado River plants without the expense of additional transmission lines.

III

Section 7 of the Colorado River Storage Project Act provides that the hydroelectric powerplants and transmission lines authorized by said act to be constructed, operated and maintained by the secretary shall be operated in conjunction with other Federal powerplants, present and potential, so as to produce the greatest practicable amount of power and energy that can be sold at firm power and energy rates.

IV

During a recent conference between members of said commission, both Nevada Senators, and the Interior Department, it was divulged that substantially all of the power which may be allotted to Arizona and Nevada from the Glen Canyon project will be generated at the Hoover powerplant, although it will be considered as Glen Canyon power. The transmission line which we now propose would provide for peaking, standby, additional and reserve power available at all times to support the Hoover powerplant. The Hoover powerplant is a main power center for the distribution of Colorado River energy to preference customers in Nevada, Arizona, and California.

V

We further respectfully urge this committee to consider the report of the Senate committee relative to the Colorado River Storage Project Act wherein it was stated that there would be no discrimination in the delivery and use of the power to be generated under said act by the upper basin States and the lower basin States.

VI

Proposals of other groups concerning transmission lines from Glen Canyon powerplant have not given full consideration to the most economical means of interconnecting Federal powerplants along the river because of their disregard of future connection to Bridge Canyon powerplant.

COLORADO RIVER COMMISSION
OF NEVADA
By A. J. SHAVER, *Chief Engineer*
By JOHN W. BONNER,
Special Assistant Attorney General.

Mr. BONNER. The principal issue we make here is that we support the appropriation requested by the Department of the Interior, and we ask that in the study to be made on transmission lines that a study be made of the feasibility of a transmission line from Glen Canyon directly to Hoover Dam, connected with Bridge Canyon and Marble Canyon, and in that respect we support the position taken by the preference group of the Upper Colorado River Basin. They felt that Marble Canyon should be part of the grid, the overall picture, as defined by section 7 of the act.

From here I would like to have Mr. Shaver, our chief engineer, to take over.

STATEMENT OF MR. A. J. SHAVER

Mr. SHAVER. Mr. Chairman, gentlemen of the committee, I am A. J. Shaver, chief engineer of the Colorado River Commission.

I wish to give you just a few words in support of the document which has been given you as a matter of record, and possibly to emphasize one or two points therein.

We are here today representing the sovereign State of Nevada and its Colorado River Commission.

The Governor of the State, by virtue of legislative enactment, is chairman of this commission. We speak, therefore, for the State and the commission, this commission being—

A portion of our law charged with and empowered to receive, protect and safeguard, and hold in trust for the State of Nevada all water and water rights and all other rights, interests or benefits in and to the waters of the Colorado River and to the power generated thereon.

Our position as to allocation of power to Nevada from the Glen Canyon plant has previously been stated in a conference among our

Senators, the Governor, and members of the Colorado River Commission, and a meeting with Secretary Aandahl and Under Secretary Bennett on March 23, 1960, and reaffirmed by letter to Secretary Seaton under date of April 1, 1960, signed by Governor Sawyer.

It is not intended to discuss this particular subject before this committee.

We are here today to urge consideration by your committee of requests for appropriated funds for continuance of studies of the transmission grid system by the Bureau of Reclamation, and particularly to emphasize inclusion in these studies a complete grid system to coordinate all of the Federal projects on the Colorado River, both present and potential, as delineated and legislated by section 7 of Public Law 485.

We urge that funds be made available to enable the Bureau of Reclamation to make these studies without interruption, looking toward the full development of the power on the Colorado River and the transmission thereof to all areas in the basin. Transmission of power developed on the river is to be considered for both the upper and lower basins if the recommendations by the Senate hearings on Senate bill 500 are followed.

Gentlemen, I thank you.

Mr. RABAUT. Thank you, Mr. Shaver.

Mr. JENSEN. Has this Marble Canyon project been authorized?

Mr. SHAVER. No. We speak with reference to transmission lines.

Mr. JENSEN. When you mentioned the Marble Canyon project——

Mr. SHAVER. That was mentioned by the upper basin group this morning.

Mr. BONNER. Mr. Chairman, I mentioned that. The act provides that the grid connection of all existing Colorado River dams be connected by transmission lines, present and potential.

The Marble Canyon and Bridge Canyon projects are a potential damsite which will be constructed either by authority of the Federal Power Commission or by two acts of Congress which are now pending.

Mr. JENSEN. How many dams in the Colorado River project are to be built? Do you know that?

Mr. BONNER. You mean in Marble Canyon and Bridge Canyon?

Mr. JENSEN. On the entire Colorado River project.

Mr. SHAVER. The upper basin project.

The Colorado River storage project, which is known as the upper basin project, in its beginning included initially Curicanti, Navajo, Flaming Gorge, and Glen, with others to be under study. It contemplated additional facilities on the Colorado River below Lee Ferry which would include Marble, Bridge, possibly the Kanab project. Those would be tied definitely to Hoover, Davis, and Parker, which are already in existence.

Mr. JENSEN. This committee, generally speaking, has appropriated money to connect federally owned hydropower dams in order to give full benefit of the integrated power. That is the reason I asked you regarding the number of dams to be built in this area.

Of course, I presume that would require many hundreds of miles of heavy transmission lines to connect these dams.

Mr. SHAVER. Only about 200. Marble and Bridge are between Glen and Hoover, so we are suggesting that in these studies they take that

into consideration so that when and if Marble and Bridge are built the tie will already exist. We would have just two more plants to the grid system.

Mr. RABAUT. Thank you, gentlemen.

BURNS CREEK

WITNESS

HON. HAMER BUDGE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mr. RABAUT. Congressman Budge. You will address yourself to Burns Creek?

Mr. BUDGE. Yes, Mr. Chairman.

Mr. RABAUT. We will be pleased to hear you at this time.

Mr. BUDGE. I appreciate this opportunity of appearing before the committee.

Mr. Chairman, some years back this committee provided the funds for the Palisades project on the Snake River in Idaho. It was completed, and the reservoir is now filled. It is a very excellent project and it means a great deal to the people down the river.

The Bureau of Reclamation has concluded, and I think perhaps should have concluded at the inception of the Palisades project, that there is a need for reregulation of the water releases from the Palisades.

The Burns Creek project is located some 25 miles down the river from the Palisades and should be considered as an adjunct thereof.

The theory of the reregulation is simply this: That if the water is released through the Palisades Dam rapidly enough to generate the maximum benefit for power purposes, the waterworks downstream, the existing powerplants, and the existing irrigation works would be washed away. That is a prime need of the Burns Creek project.

In addition, the project would, if one of the proposals is adopted, provide an additional 100,000 acre-feet of upstream storage which would be extremely valuable for the area, and it would also generate power in its own right as well as increasing the prime power production at Palisades.

This committee some 2 years ago appropriated money to initiate construction of the Burns Creek project, conditioned upon its authorization.

The other body at that time had passed an authorization bill.

The other body last year, in this 86th Congress, passed an authorization bill.

The House Legislative Committee held very extensive hearings on the Burns Creek project just recently, and it is my undestanding that the Legislative Committee is now in the process of deciding just what type of reregulating project is necessary.

Mr. Chairman, the $500,000 which was previously appropriated by this committee would, if the authorization bill is passed, and as I say the expenditure of the funds is still contingent upon that authorization, would save at least 1 year and probably 2 years in the time necessary for the start of construction of the reregulating project at Burns

Creek. That would, of course, save a resource which is now going down the river and meanwhile, the Palisades project cannot be operated to its maximum efficiency.

This item is carried in the budget. I am not seeking any additional appropriation of funds. I simply hope that this committee will leave the mater in status quo and give the Legislative Committee an opportunity to work out the type of project which is necessary for the reregulation of the river.

I know of no opposition to the reregulation or to the additional storage which will be made available.

There has been some opposition to other features of the project if those should be included in the bill, and I do not know at this time just what kind of reregulation project the Legislative Committee will finally approve.

I am satisfied that it will approve a project because to do otherwise would waste the resources which are there at the Palisades and which cannot be fully developed without the construction of this project 25 miles downstream.

I thank you very much, Mr. Chairman, again, for this opportunity to appear.

Mr. RABAUT. Thank you.

Mr. JENSEN. Mr. Chairman, may I say the committee is always happy to hear from our good colleague who was a member of this committee for many years.

We are very sorry that someone induced him to leave this committee to go on the Rules Committee. Of course, that is a very important committee, too.

I might say when Congressman Hamer Budge appears before this committee or any committee asking to spend money, I can understand how he has to almost hop out of cast because he never asks for Federal expenditures unless they are completely justified in his opinion. His argument bears considerable weight with me as I know it does with the rest of the committee.

Mr. BUDGE. I certainly thank the gentleman from Iowa. I often remember the pleasant days I spent on this committee and there are times I wish I were back on it.

Thank you very much.

WASHINGTON PROJECTS

WITNESS

HON. JACK WESTLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. RABAUT. Congressman Westland.

You appear for various Washington projects?

Mr. WESTLAND. Yes, sir. I would like to read this statement, sir.

Mr. Chairman, I am here to urge approval of $309,800 for fiscal 1961 to enable the Corps of Engineers, U.S. Army, to begin construction of certain authorized projects, and to complete authorized review studies of other projects. Also, I urge that $85,000 be made available for initial work on the Snohomish River navigational project when it is approved.

The authorized projects are: (1) The improvement of the Sammamish River in Washington State by improving the outlet of Sammamish Lake, enlarging the river channel and the channel of Redmond Bear Creek near its mouth, and construction of a levee along the left bank of North Creek as authorized by the Rivers and Harbors Act of 1958, at an estimated cost to the United States of $1,120,000, and (2) the improvement of navigation and construction of a small-boat harbor at Port Townsend, Wash., as authorized by the Rivers and Harbors Act of 1958, at an estimated cost to the United States of $527,000.

The review studies to which I referred are: (1) A study of the Skagit River for purposes of flood control and allied improvements in the basin, at an estimated cost to the United States of $135,000; (2) a study of the Stillaguamish River for the same purpose at an estimated cost to the United States of $25,000; (3) a study of the Snohomish River and its tributaries with a view of determining flood control improvements in the watershed, at an estimated cost to the United States of $215,000; (4) a study of the Nooksack River also for the same purpose, at an estimated cost to the United States of $25,000; (5) a survey of the Swinomish Channel to determine the feasibility of deepening the channel, removing certain obstacles, preventing bank erosion and establishing a small boat basin, at an estimated cost to the United States of $15,900; (6) a survey of the Skagit River to determine the feasibility of improving navigation, at an estimated cost to the United States of $20,100; and (7) a study to determine the feasibility of a small boat basin at Oak Harbor, Wash., at an estimated cost to the United States of $36,000.

In support of the Sammamish River project, I want to say that only $108,000 of the estimated $1,120,000 the Federal Government eventually will contribute to the project could be used at this time. This expenditure is necessary so the Corps of Engineers can continue its preconstruction program.

This agency already has received $22,000 of the $130,000 needed for this purpose. The budget request contains $50,000 for fiscal 1961, but if the full $108,000 is available I understand the corps could advance the general design memorandum and produce plans and specifications for the first contracts.

The benefit-to-cost ratio of this project is 2 to 1, and the completed project would provide protection for housing developments and highly productive agricultural land. Since the studies of this project began 15 years ago, there have been several damaging floods.

Local interests have indicated their willingness to participate in the project financially and by procurement of easements and rights-of-way. Local drainage districts and King County have spent more than $215,000 for ditches and channel improvements.

Turning to the Port Townsend project, I want to point out that this city is the principal city and county seat of Jefferson County, Wash. It is a coastal outlet for lumbering and farming areas, is a principal port of entry and has a U.S. customs office.

Prior to 1950, Port Townsend had a military payroll of more than $5 million annually at Fort Worden. When the post was closed, the town's income dropped from $6 million a year to $1 million a year. There has been some improvement, because the fort was eventually purchased by the State for a rehabilitation center for delinquent boys.

The small boat basin, I feel, would add impetus to the recovery of Port Townsend. Construction of the moorage facility would augment the present fishing industry by giving a supply and unloading point almost a day's run closer to the fishing grounds than the moorages now being used.

The project will provide a 600-foot by 1,000-foot commercial boat basin, a rock riprap breakwater 1,500 feet long and a hydraulic fill 100 feet by 4,200 feet. Local interests plan a level four-lane highway with room for a railroad track and parking along the waters edge of this fill. These interests also plan to maintain two warehouses, a railroad ferry slip, and a concrete deep-sea dock.

The preconstruction program for the Port Townsend boat basin is estimated at $36,000, of which $7,000 has been appropriated. At this time the balance, $29,800, could contribute materially toward getting the project underway. There is a strong desire by local interests to contribute to the local share of the costs of this project which has a cost-to-benefit ratio of 1.33 to 1.

Now, Mr. Chairman, I want to call to the attention of this subcommittee that the people of my district last year suffered three floods which caused millions of dollars of damage to property. You can understand why I am so concerned about the need for review studies of the four major rivers in the Second District that flood the area between the Cascade Range and Puget Sound. These studies would determine what should be done to prevent future crippling floods. The costs of these surveys would be very small compared with possible future damage and with past damage.

On the Skagit River in November, the worst of the three floods last year, the Corps of Engineers had to spend $68,000 in emergency funds just to repair levee breaks. Additional money was spent by State and local governments to repair damage. Although the total estimated cost of the survey for the Skagit is estimated at $135,000, I understand that $30,000 is all that would be needed to get the study started in fiscal 1961. I will refer to the Skagit again in connection with another important and related survey.

An even smaller amount, $10,000, is all that is necessary to start a survey on the Stillaguamish River. During the November flood, the people along the lower reaches of the river were forced from their homes and when they returned they found many times more damage than the $25,000 it would take to complete this study. This is not the first time these floods have happened in this drainage area which covers some 690 square miles. The problem is further complicated by the sea which often sends water into the sloughs of the river at times of flooding.

Further south is the Snohomish River which caused no less than $6 million damage in November to agricultural land, livestock, buildings, homes, highways, railroads, and utilities. In December the area was flooded again and the valley is still vulnerable to flooding.

The Army Engineers spent $414,000 in emergency funds to repair damage to more than 50 levees. A study of this river would cost approximately $215,000. I urge that $50,000 be appropriated for this study during fiscal 1961. Later I will refer to the Snohomish and present other facts about it.

On the Nooksack in Whatcom County, the damage each year by floods has been estimated at $245,000. The total cost of a survey

would be $25,000. An appropriation of $10,000 at this time would allow the Corps of Engineers to begin the study.

There have been surveys on these four rivers that have resulted in unfavorable reports. Each year the amount of damage by flooding accumulates and it is probable that this damage has been more expensive than a number of flood control projects would have been.

The total costs of these four flood control surveys, a step necessary to insure proper flood control, is estimated at $400,000. Only one-fourth of this could be used during fiscal 1961. But at this time, the Forest Service is spending $850,000 to repair its roads in the Mount Baker and Snoqualmie National Forests which were washed out by these four rivers in my district.

In light of the recent damaging floods in the valleys formed by these rivers and in the light of the growth and the increase in the value of property, future studies, I believe, may show a highly favorable benefit-to-cost ratio.

Mr. Chairman, now I ask this subcommittee to approve $15,900 for the Swinomish Channel so the Engineers can complete its survey concerning the feasibility of improvements to navigation.

Fiscal 1960 funds in the amount of $19,600 were available to continue these studies and a program of foundation investigations and surveys for channel improvements was undertaken and completed in the latter part of calendar 1959. The work remaining to be completed includes economic studies to justify channel improvements and engineering studies of problems involved in channel modification and bank protection, including elimination of the channel obstruction at the Hole-in-the-Wall location.

The $15,900 to complete the report is budgeted for fiscal 1961 and completion of the report by the corps is scheduled for June 1961 if the money is appropriated.

I said I would again refer to the Skagit River, Mr. Chairman, in connection with another important survey. This survey would determine the feasibility of navigational improvements, but as you will see the survey also would have an effect upon flood control.

Several years ago, the Corps of Engineers placed impediments in a number of sloughs at the mouth of the Skagit River to improve navigation in the main channel. These dams, however, in recent years have created flood hazards that could be destructive to property in the vicinity south of Mount Vernon.

Recent economic developments in the region indicate that an expansion in the scope of the study may be desirable, according to the Corps of Engineers. The cost of this survey would run in the neighborhood of $20,100.

I would like to bring to your attention one other authorized survey in my district for which funds have not been appropriated. This is the survey concerning the proposed small boat basin at Oak Harbor. Residents of this community near Whidbey Island Naval Air Station are vitally interested in sharing the expense of the basin, which is needed to meet the continuing growth of boating in Puget Sound.

The primary function of the basin would be to take care of commercial fishing vessels, and to help pleasure craft owners find less congested mooring areas. The basin would not be in competition with other small boat moorages in adjacent areas. There are some 300 privately owned boats in the Oak Harbor area. Seattle with more

than 30,000 registered private boats and Everett with more than 5,000 are within cruising distance. These are vessels which come to the waters off Oak Harbor for sports fishing and cruising each year. The cost of the survey is estimated at $36,000.

Now, Mr. Chairman, I have saved to the last the Snohomish River navigation project. I have done this, not because the project is less important than the others, but because the legislative circumstances are far more complicated.

This project was recommended by the Board of Engineers for Rivers and Harbors late in 1959 and forwarded to Congress when it reconvened early this year. It was this reason which prevented the project from being included in the omnibus rivers and harbors bill that passed the House during the 1st session of the 86th Congress. Had the project been recommended to the Congress earlier, I have little doubt that it would have been included in the House version of the omnibus bill for its benefit-to-cost ratio is 3 to 1.

Early this session I was assured that I could present testimony before the Senate Committee on Public Works with the prospect of having the Snohomish River navigation project included in the Senate version of the omnibus bill. Unfortunately, the hearings have been postponed because of other matters before the Senate. However, I will appear before the committee and I am reasonably sure the project will be approved. I believe the House will concur when the Senate approves the project. It has full approval of the Secretary of Defense and the Bureau of the Budget.

It is my hope therefore, that funds for the project will be approved contingent upon its being authorized in the final version of the Rivers and Harbors Act of 1960.

I know you are aware of the role navigation plays in the economic life of communities such as Everett. This city is the chief industrial and commercial center for an area of 2,100 square miles and serves more than 100,000 persons.

Forest products manufacturers and processors, commercial fishermen and seafood processors must have at least 8 feet of water and a channel 150 feet wide to allow their vessels to carry raw materials and finished products to and from their production centers. Existing shallow depths cause delays and damages which result in high vessel operation costs and prevent movement of commodities.

The engineers' plan provides for deepening the channel to 8 feet and widening it to 150 feet, provides for a settling basin with a capacity of 1 million cubic yards, and provides for rectification works to reduce sedimentation downstream from Steamboat and Ebey Sloughs.

Estimated cost of the project is $3,335,000. The exact amount of this share depends upon the plan selected by local interests for disposal of dredge fill.

The unusually high cost-to-benefit ratio of the Snohomish navigation project is 3 to 1, an indication of its economic desirability. Therefore, I urge that $85,000 for preconstruction work be appropriated for fiscal 1961, as I have said, contingent upon the authorization of the project.

Mr. Chairman, thank you and the members of this subcommittee for this opportunity to appear in behalf of funds for these necessary projects.

Mr. RABAUT. Thank you for appearing before us.

MONDAY, APRIL 11, 1960.

WASHINGTON PROJECTS

WITNESS

HON. CATHERINE MAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. RABAUT. Mrs. Catherine May of Washington.

You will address yourself to Washington projects?

Mrs. MAY. Yes, Mr. Chairman.

Mr. Chairman and members of the committee, I certainly realize your time limitations here. I shall be followed before this committee by witnesses representing the same areas upon which I shall touch. The very competent and able witnesses you will hear before this committee today and following days can go certainly more into detail on the projects which I wish to mention, and therefore I shall attempt to stay within my time limitations and give you a few highlight remarks with particular emphasis on one or two projects.

I am glad to have this opportunity to again appear before you in behalf of the public works program needs for the State of Washington, and more particularly the Fourth Congressional District which holds the Columbia and Snake Rivers and several vast Federal reclamation projects, all of which materially contribute to the economy of the Pacific Northwest and to the Nation.

My statement is concerned with those projects which are administered by the Department of the Army, Corps of Engineers; the Department of the Interior, Bureau of Reclamation; and the Bonneville Power Administration, which functions to distribute electric energy from both public and private sources.

First, I would like to discuss several important public works projects under the Department of the Army, Corps of Engineers, in the river and harbors development program.

JOHN DAY LOCK AND DAM

Certain economies were effected by the Army Corps of Engineers during fiscal year 1960 which will make it possible to keep John Day lock and dam on the programed schedule while reducing the administration budget request for fiscal year 1961. While the administration has requested $41,800,000 for continued construction on this project, the sum of $37 million could be utilized and still not delay the completion date of this important multipurpose project on the Columbia River. I wholeheartedly urge that this $4,800,000 saving be applied to the construction of Lower Monumental lock and dam on the Snake River.

LOWER MONUMENTAL LOCK AND DAM

I believe it is vital to the orderly development of the Columbia and Snake Rivers that construction be started in fiscal year 1961 on Lower Monumental lock and dam with power.

Preconstruction planning work on this project is scheduled to be virtually completed in fiscal year 1960; $780,000 was budgeted in fiscal year 1960, requiring but $115,000 to complete this phase of the project. I am informed, however, that the Army Corps of Engineers

could utilize $4,800,000 in fiscal year 1961 to begin construction on Lower Monumental. This project, when completed, will have far-reaching benefits by opening this section of the Snake to water transportation of many products to Pacific coastal areas, and will help meet an indicated power shortage in the Pacific Northwest. I respectfully urge that the committee budget $4,800,000 for Lower Monumental lock and dam.

THE DALLES LOCK AND DAM

I was pleased to participate last September in the dedication of the Dalles lock and dam on the Columbia River, in which power from this impressive multipurpose dam was placed on the line for the first time. Construction is now estimated to be 97 percent complete, and I urge the committee to grant the administration's request of $1,900,000 to continue construction of this project on schedule. This will leave a balance to complete this project after fiscal year 1961 of $2,604,000.

ICE HARBOR LOCK AND DAM

While Ice Harbor lock and dam on the Snake River is now about 53 percent complete, the sum of $30 million is requested in fiscal year 1961 to keep this important multipurpose project on schedule. This will leave a balance to complete after fiscal year 1961 of $9,013,000.

LITTLE GOOSE LOCK AND DAM

As the committee is aware, the Army Corps of Engineers has asked that $550,000 be appropriated for fiscal year 1961 preconstruction planning of Little Goose lock and dam on the Snake River. I urge that favorable action toward this request be made by the committee.

BEN FRANKLIN LOCK AND DAM—INITIAL STUDY

The administration has requested the sum of $20,500 for an initial study in connection with the proposed Ben Franklin lock and dam on the Columbia River. These funds would be used to prepare a plan of specifications and initiate economic studies. The estimated cost of a complete survey would be $1,050,000, including $800,000 for an atomic Energy Commission study of the adverse effects on the Hanford engineering works of the Ben Franklin Dam. In view of the high cost of such study, the initial investigations are being limited to a general reappraisal of the problem and the economics involved. I therefore urge that $20,500 be appropriated to determine answers to these important questions.

DAYTON, TOUCHET RIVER

Although the Dayton Touchet River flood control project is considered to be a desirable project with the ratio of benefit-to-cost estimated at 1.2 to 1, this project, authorized in 1941, has long been delayed due to lack of fund appropriation. This delay has been considered necessary pending completion of other studies of flood control storage possibilities in the Touchet River Basin. These studies are now complete and indicate that it is not presently feasible to protect the city of Dayton by upstream storage. Therefore, I urge the committee to include the sum of $26,300 for preparation of advance engineering and design studies for the Dayton flood protection project.

The authorization project provides for the construction of levee and bank protection with improvement of Touchet River and Patit Creek channels by enlargement and straightening in the reaches through and adjacent to the city.

COLFAX

I am pleased that the President's budget for fiscal year 1961 includes $425,000 for construction of the Colfax flood control project. Preconstruction planning is scheduled for completion in fiscal year 1960. This project will provide needed protection for the city of Colfax by channel improvement on the Palouse River, South Fork Palouse River, and Spring Flat Creek in the city of Colfax. The benefit-to-cost ratio is 1.8 to 1.

Next, I would like to discuss the program of the Bureau of Reclamation in the Fourth Congressional District of the State of Washington.

COLUMBIA BASIN PROJECT

The Columbia Basin project will ultimately furnish water to approximately 1,029,000 acres of new land in the south central section of the State of Washington and develop electric generating capacity of 1,974,000 kilowatts. The Grand Coulee Dam and powerplants have been in operation for many years, and irrigation facilities to serve about 431,700 acres will be complete and available for irrigation by the start of fiscal year 1961. Construction of systems to serve 6,900 acres is underway in the current year. Of these 411,100 acres will be under development period operation and maintenance in fiscal year 1961. Irrigation construction will continue in fiscal year 1961, but with less new work being initiated than in previous years. New work is selected according to a plan that will accomplish maximum practicable utilization of previously constructed primary irrigation facilities when the expenditure limitation in the existing irrigation repayment contracts is reached a few years hence. The budget calls for an appropriation of $6,100,000, under the construction program which I urge the committee to include.

In addition, I urge the appropriation of $6,600,000, for operation and maintenance, for the Columbia Basin project.

YAKIMA PROJECT—ROZA DIVISION

Construction of the Roza division has been substantially completed with only the construction of minor additional drainage facilities remaining to be completed. The fiscal year 1961 program of $65,000 will complete the installation of the trash removal screens on the Roza powerplant intake and will finance the Roza division portion of a component of a joint Roza-Sunnyside lower valley drainage pump plant.

YAKIMA PROJECT—TIETON DIVISION

Under the rehabilitation and betterment program, an appropriation of $224,000 will complete renewal work on flumes No. 2, 3, and 4 of lateral G and start and complete replacing flume No. 1 of the same lateral and continue work on other flumes, siphons, and irrigation laterals.

YAKIMA PROJECT

On the Yakima project, a request for appropriated funds of $226,000 is for continuation of normal operation and maintenance of the storage system, irrigation, and power facilities. The program also provides for replacement of automotive equipment, miscellaneous tools and equipment, repair of fish facilities at Roza diversion dam and the procurement of a tractor for the Roza irrigation field division. To the appropriated amount, a sum of $403,000 from water users' advanced funds will be added.

GENERAL INVESTIGATIONS

The general investigation program is one of the most important elements of the reclamation program because these planning studies culminate in reports that are submitted to the Congress for authorization of water resources development projects. During fiscal year 1961 the following investigations will be underway in the Fourth Congressional District in the State of Washington, and I urge that the requested amounts be appropriated.

Lower Horse Heaven project	$61,646
Yakima project—Ahtanum division	13,062
Columbia River Basin (partly within district)	74,000
Walla Walla project (partly within district)	45,000

BONNEVILLE POWER ADMINISTRATION

The Bonneville Power Administration's original appropriation request of $20,220,000 for its construction program in fiscal year 1961 has been reduced by $1,500,000 as transmitted in the communication from the President on March 10, 1960. This reduction, I understand, is primarily the result of engineering determinations in earmarking items of equipment to be retired from present installations for use at new locations.

The revised request of $18,720,000 will cover the year's needs for transmission facilities to carry power from generating plants to the major load centers and the substations at the load centers to deliver the power to its customers—the PUD's, the REA Cooperatives, the municipalities, the privately owned utilities which distribute electricity to the ultimate consumer. The principal new construction item is the second Rocky Reach-Maple Valley 345,000-volt line to transmit additional Federal and non-Federal power to the Puget Sound area. (About half of the line traverses the northwest portion of Kittitas County.)

Other specific construction items within the Fourth District are:

Continuation of construction on the Rocky Reach-Maple Valley No. 1 line.

The Ice Harbor-Franklin 115,000-volt line, tying the Ice Harbor generating plant to the Franklin substation, is in this budget with a completion schedule in August 1961.

Work will also continue on the transformer addition at Highlands substation to serve the growing needs of Benton County PUD.

The operation and maintenance program estimate of $10,975,000 will provide for the operation and maintenance of the transmission system now consisting of some 7,500 miles of transmission line carrying power from 13 Federal hydroelectric plants to 360 points of delivery. It is vitally important to all people of the Pacific Northwest

that maintenance be performed in accordance with standards and a grade of operation be provided to assure continuity of service to customers.

I thank the chairman and members of the committee for this opportunity to present this requested program for the Fourth Congressional District of the State of Washington.

Mr. RABAUT. We appreciate having your statement.

MONDAY, APRIL 11, 1960.

ALASKA PROJECTS

WITNESS

HON. RALPH J. RIVERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALASKA

Mr. RABAUT. We shall next hear the Honorable Ralph J. Rivers, Congressman from Alaska.

Mr. RIVERS. Mr. Chairman, first I wish to say that I am very appreciative of the opportunity to appear before this important committee.

As our last great frontier, Alaska is underdeveloped, so public works in the form of navigation projects, flood control, and hydroelectric power production are especially important. They are important as factors in encouraging settlement and utilization of Alaska's vast resources, which in turn would strengthen Alaska as the buffer between Asia and North America. Accordingly, I submit that the money allotted to projects in Alaska will constitute a good long-range investment, and I urge that the required appropriation be made for fiscal 1961.

Realizing the limitation of time involved in this hearing, I will just mention the Alaska projects, all previously authorized, as follows:

Authorized navigation projects not under construction: Homer Harbor, Seldovia Harbor, Douglas Harbor, Juneau Harbor, Ninilchik Harbor, Wrangel Narrows.

Authorized navigation projects not under construction: Homer banks flood control project (Chena River) in an area occupied by Ladd Field wherein the Federal Government has a multimillion dollar investment, Skagway River.

General investigations:

Navigation: Gastineau Channel, Hydaburg Breakwater, Seward Harbor, Knudson Cove, Petersburg Harbor, Valdez Harbor.

Harbors and rivers—General investigations for navigation and related purposes.

Flood control: Knik River Basin, Seward, Kodiak, Valdez.

Harbors and rivers—General investigations for flood control and related purposes.

Continuation of review of second part of Interim Report No. 2, which includes Kasilof and Anchorage small boat harbors, Kenai deep draft harbor, and Matanuska River flood control.

Operation and maintenance of Nome River.

Mr. Chairman, I have an exhibit showing the details pertaining to each project, which I now offer for inclusion in the record as part of

my testimony. This exhibit, showing the amount usable for fiscal year 1961, as determined by the Corps of Engineers, also constitutes the recommendation of all the members of Alaska's congressional delegation for the same period. In other words, Senators Bartlett and Gruening join with me in submitting this material in behalf of Alaska, and in thanking you, Mr. Chairman, and members of the subcommittee, for courtesies extended and consideration given.

(The exhibit follows:)

Summary of Alaska flood control and river and harbor projects, fiscal year 1961—Recommendations of Senators E. L. Bartlett and Ernest Gruening and Representative Ralph J. Rivers.

AUTHORIZED FLOOD-CONTROL PROJECTS [1] NOT UNDER CONSTRUCTION, 1960 FISCAL YEAR

Project	Total estimated Federal cost	Amount in 1961 budget	Amount usable by Corps of Engineers and recommended by Alaska delegation, 1961 fiscal year
Fairbanks (Chena River)	$10,800,000	$100,000	$390,000
Skagway River	995,000	0	972,000

AUTHORIZED NAVIGATION PROJECTS [2] NOT UNDER CONSTRUCTION, 1960 FISCAL YEAR

Douglas boat basin	$370,000	0	$364,000
Homer boat basin	550,000	$542,000	542,000
Juneau boat basin, etc	1,970,000	0	1,958,000
Ninilchik boat basin	234,000	0	229,000
Seldovia boat basin	568,000	548,000	548,000
Wrangell Narrows	765,000	0	763,000

GENERAL INVESTIGATIONS NAVIGATION AND RELATED PURPOSES

Gastineau Channel	$20,000	0	$20,000
Harbors and rivers	430,000	$40,000	40,000
Hydaburg	22,000	0	14,000
Knudson Cove	20,000	0	15,000
Petersburg Harbor	18,000	7,000	18,000
Seward	18,000	0	18,000
Valdez	18,000	0	18,000

GENERAL INVESTIGATIONS FLOOD CONTROL AND RELATED PURPOSES

Harbors and rivers	$859,000	$30,000	$30,000
Knik River Basin	300,000	0	30,000
Kodiak	25,000	0	20,000
Seward (2 projects)	25,000	0	15,000
Valdez	25,000	0	20,000

GENERAL INVESTIGATIONS

Rampart Canyon	$1,460,000	$100,000	$350,000

OPERATION AND MAINTENANCE

Nome Harbor		$50,000	$50,000

[1] Talkeetna River flood control authorized in 1958 with estimated Federal cost of $80,000. Emergency work has eliminated immediate need for project.

[2] Anchorage Harbor authorized in 1958 with estimated Federal cost of $4,890,000. City of Anchorage has awarded contract for dredging in front of first wharf. It does not appear that remaining dredging by Federal Government will need to be undertaken until expansion of city-owned facilities materializes. It is understood this expansion is not scheduled until fiscal year 1962, or later.

Sitka Harbor: Crescent Bay basin authorized in 1945 with estimated Federal cost of $1,150,000. Forest Service basin: Authorized in 1954 with estimated Federal cost of $60,000. Corps of Engineers believes both projects should be built at same time in interest of economy. However, controversy has arisen in Sitka over location of authorized boat basin, some residents advocating site at Jamestown Bay and others advocating possible site at Griffith Island, while some Crescent Bay advocates seek modification for deeper basin. This matter has been studied under survey procedure and survey report on March 29, 1960, went to Chief of Engineers from Board of Engineers for Rivers and Harbors recommending against modification of authorized project, thus upholding views of district engineer in Alaska and division engineer in Portland.

ALASKA FLOOD CONTROL PROJECT

Fairbanks flood control project (Chena River) (authorized in 1958).—This project is designed to protect the city of Fairbanks, the adjacent urban area, and Ladd Air Force Base from floods originating in the headwaters of the Chena River. It provides for an earth fill diversion dam located about 4 miles upstream from the Air Force Base and a control structure which will permit a maximum flow of 18,000 cubic feet per second in the Chena River through Ladd Air Force Base and Fairbanks, diverting the remainder of the flood waters through a channel with a capacity of 23,000 cubic feet per second for a distance of about 5.2 miles into the Tanana River. An earth levee would be constructed from the control structure along the diversion channel for about 5 miles then paralleling the Tanana River for about 7 miles to a point immediately below Fairbanks International Airport near the mouth of the Chena River.

Total estimated Federal cost of project	$10,800,000
Amount in 1961 budget	100,000
Amount requested for fiscal year 1961	300,000

Work to be accomplished with requested amount: Planning.

Skagway river (authorized in 1946).—Skagway is the terminal point of the White Pass and Yukon Railway, which through Whitehorse, its northern terminus, serves the Yukon territory and interior Alaska. The city is subject to damaging floods from the Skagway River during September and October, resulting from a combination of early snow and late fall rains. The original project consisted of a rock, brush, and earth training dike on the left bank of the Skagway River, extending from 23d Avenue Bridge downstream 6,700 feet, and a rubble-mound breakwater 1,800 feet long across the tide flats in a southerly prolongation of the training dike. This project was completed as a river and harbor project in 1940 at a cost of $62,173 in Federal funds. It is estimated that damages in the amount of $70,000 have been prevented during the life of the existing project. Severe floods in 1943–44, 1945, and 1951 resulted in damages to the city dike and breakwater. Emergency diking measures by Army and civilian personnel, however, prevented actual flooding of the business and residential districts and airport.

Total estimated Federal cost of project	[1] $995,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	972,000

[1] Including $23,000 already spent.

Work to be accomplished with requested amount: Provide reinforcement and extension of the rock dike on the left bank upstream from the 23d Avenue Bridge and reconstruction of the breakwater to the original project dimensions and a 300-foot extension thereto.

ALASKA NAVIGATION PROJECT

Douglas Harbor (authorized in 1958).—Juneau Harbor and Douglas Harbor are located at the head of deep water navigation in Gastineau Channel, which separates Douglas Island from the mainland and forms a single deep-water port, nine-tenths of a mile wide and 2 miles long between the two cities. In addition to its governmental activities as capital of Alaska, Juneau is an important trading and industrial center for the area with major activity in fishing and fish processing; and since the completion of the channel bridge between Juneau and Douglas in 1935, Douglas has been growing as a residential and industrial suburb of Juneau. On the Juneau side just north of the Juneau-Douglas Bridge, the existing project provides for a small boat basin 11½ acres in the area with a depth of 12 feet at mean lower low water and protected by two rock-mound breakwaters with a total length of 1,970 feet. Work on this project was completed in 1939 at a cost of $150,716 in Federal funds. The average annual tonnage handled at the port of Juneau for the years 1936 through 1957 was 151,169 tons. A modification to the existing project was authorized in 1958 which would provide for a small boat basin at Douglas. The mooring basin at Douglas would be 5.2 acres in extent and 12 feet deep at mean lower low water with a protective jetty 90 feet long. This basin would accommodate 150 boats.

Total estimated Federal cost of project	[1] $370,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	364,000

[1] Including $6,000 already spent.

Work to be accomplished with requested amount: Completion of project; small boat basin.

Homer Harbor (authorized in 1958).—The town of Homer, located on Kachemak Bay at the southern end of the Kenai Peninsula, is in an area of rapid development. The bay furnishes excellent anchorage for large vessels but none for small vessels. This project provides for a small boat basin located on the end of Homer Spit which extends 4½ miles into Kachemak Bay, and the end of which is ice-free at all times. The plan of improvement consists of dredging a mooring basin 400 by 300 feet to a depth of 12 feet below mean lower low water protected by an L-shaped rock breakwater 850 feet in total length to provide space for 80 boats. This proposed small boat harbor would permit fishing boats to operate 4 additional months for shellfish instead of being stored on grids after the salmon and halibut seasons, would permit owners to base at Homer, and would afford a port of refuge for boats during storms in Cook Inlet.

Total estimated Federal cost of project	[1] $550,000
Amount in 1961 budget	542,000
Amount requested for fiscal year 1961	542,000

[1] Including $8,000 already spent.

Work to be accomplished with requested amount: Completion of project; small boat basin and breakwater.

Juneau Harbor (authorized in 1958).—Juneau Harbor and Douglas Harbor are located at the head of deepwater navigation in Gastineau Channel, which separates Douglas Island from the mainland and forms a single deepwater port, nine-tenths of a mile wide and 2 miles long between the two cities. In addition to its governmental activities as capital of Alaska, Juneau is an important trading and industrial center for the area with major activity in fishing and fish processing; and since the completion of the channel bridge between Juneau and Douglas in 1935, Douglas has been growing as a residential and industrial suburb of Juneau. On the Juneau side just north of the Juneau-Douglas Bridge, the existing project provides for a small boat basin 11½ acres in area with a depth of 12 feet at mean lower low water and protected by two rock-mound breakwaters with a total length of 1,970 feet. Work on this project was completed in 1939 at a cost of $150,716 in Federal funds. The average annual tonnage handled at the port of Juneau for the years 1936 through 1957 was 151,169 tons. A modification to the existing project was authorized in 1958 which would relieve the congested conditions in the present Juneau small boat harbor by providing a second small boat basin at Juneau, and, across Gastineau Channel, a small boat basin at Douglas. The proposed basin at Juneau to be located north of and adjacent to the existing basin would be 19 acres in extent and 12 to 14 feet deep at mean lower low water with a protective jetty 530 feet long and a breakwater 1,150 feet long. It would provide space for 550 additional boats.

Total estimated Federal cost of project	[1] $1,970,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	1,958,000

[1] Including $12,000 already spent.

Work to be accomplished with requested amount: Completion of project; small boat basin, jetty, and breakwater.

Ninilchik Harbor (authorized in 1958).—The village of Ninilchik is located about halfway up Cook Inlet on the western coast of the Kenai Peninsula. This project provides for a small boat basin 320 feet long by 150 feet wide dredged to a depth of 2 feet above mean lower low water. Entrance to the basin would utilize 600 feet of existing river channel with excavation to 9 feet above mean lower low water of an additional 400 feet through the spit, which separates the Ninilchik River from Cook Inlet, and protected by a single-row pile jetty 410 feet in length. Utilizing a reef and damming the present channel of the river with excavated material, the basin would be maintained at a depth of 7 feet and would accommodate 32 boats.

Total estimated Federal cost of project	[1] $234,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	229,000

[1] Including $5,000 already spent.

Work to be accomplished with requested amount: Completion of project; small boat basin and jetty.

Seldovia Harbor (authorized in 1958).—Seldovia is located on the southwest shore of Kenai Peninsula on the east shore of Seldovia Bay, an arm of Cook Inlet. This is one of the few ice-free harbors in Cook Inlet. The authorization provides for construction of a small boat basin in a sheltered cove by dredging to 12 feet below mean low water over an area 300 feet wide and 700 feet long protected by two rubble-mound breakwaters 400 and 600 feet long to provide space for 140 boats. Fishing is the basic industry of Seldovia, and a protected small boat basin will afford the fishing fleet adequate moorage in an area where tides range as much as 27 feet.

Total estimated Federal cost of project	[1] $568,000
Amount in 1961 budget	548,000
Amount requested for fiscal year 1961	548,000

[1] Including $20,000 already spent.

Work to be accomplished with requested amount: Completion of project; small boat basin and breakwaters.

Wrangell Narrows (authorized in 1945).—This passage lies on the route of all vessels operating to points in southeastern Alaska from Pacific coast ports of the Western States or Canada, and forms a part of the Inside Passage. The port of Petersburg is located at the head of the narrows and the port of Wrangell lies 47 miles to the south. Prior to its completion, vessels unable to use the narrows because of tide, darkness, or size had to sail around Cape Decision, 90 miles farther. The original project consisted of blasting and dredging a channel 200 feet wide and 21 feet deep at mean lower low water through the narrows. This phase of the work was completed in 1928 at a cost of $452,971 in Federal funds. Enlargement, easement of curves, and removal of rock pinnacles was included in a Public Works Administration program which was completed in August 1934 at a cost of $136,737. Additional dredging of the channel to a width of 300 feet and a depth of 24 feet at mean lower low water along an improved alinement was started in 1946 and completed in 1951, at a cost of $2,605,794 in Federal funds. The project is 80 percent complete. The average annual tonnage of commodities passing through the narrows from the years 1936 through 1957 was 297,394 tons. In 1945, a modification of the existing project was authorized to provide a channel 300 feet wide and 24 feet deep at mean lower low water with improvement of the alinement of the original 200- by 21-foot channel and to provide an anchorage basin 500 yards long by 200 feet wide and 26 feet deep at mean lower low water in the vicinity of mile 14. The channel work was completed but dredging of the anchorage basin remains to be done.

Total estimated Federal cost of project	[1] $765,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	763,000

[1] Including $2,000 already spent.

Work to be accomplished with requested amount: Completion of project; anchorage basin.

ALASKA GENERAL INVESTIGATION NAVIGATION

Gastineau Channel.—Gastineau Channel is a 16-mile-long strait extending in a northwesterly direction from Stephens Passage to Fritz Cove and separates Douglas Island from the mainland. Between Juneau, which is located midway, and Stephens Passage, the channel averages about three quarters of a mile in width, with a depth ranging from 15 to 40 fathoms rendering this reach navigable by ocean vessels calling at Juneau. Within 4 miles north of Juneau the channel is merged only at high tide. A short channel through a portion of the Gastineau Channel bar was straightened and deepened by territorial authorities in 1917. This channel has a controlling elevation of about 15 feet above mean lower low water and is navigated to a limited extent by small boats at high tide. The act of March 2, 1945, authorized a channel depth to mean lower low water for which funds were provided. The existing authority for the dredging precluded dredging to a depth of 10 feet below mean lower low water and local interests have requested the greater channel depth. A survey

directed by Senate Public Works Committee resolution of August 3, 1959, calls for a review of the Gastineau Channel project for possible greater channel depth dredging.

Total estimated Federal cost of survey	$20,000
Amount in 1961 budget	0
Amount requested for fiscal year 1961	20,000

Harbors and rivers.—Interim Report No. 7 Yukon and Kuskokwim Rivers in Division for review. Review of interim Report No. 2 Cook Inlet to be submitted in two parts. First part on Bradley Lake scheduled for completion near end of 1960 fiscal year. Second part includes Kasilof and Anchorage small boat harbors, Kenai deep-draft harbor and Matanuska River flood control scheduled for completion near end of 1961 fiscal year; $359,200 from navigation and $795,200 from flood control funds have been allocated through 1960 fiscal year. The following interim reports have been completed: No. 1 (southeastern Alaska); No. 2 (Cook Inlet and tributaries); No. 3 (Copper River and gulf coast); No. 4 (Tanana River Basin); partial interim Report No. 5 (Kodiak Harbor); No. 5 (southwestern Alaska); No. 6 (northwestern Alaska). Bradley Lake lies about 4 miles southeast of the head of Kachemak Bay, which indents the Kenai Peninsula coast just north of its southwesterly tip. A dam at the lake outlet would raise the water surface about 105 feet to completely control the estimated annual runoff. It is estimated that about 23,000 kilowatts of low-cost prime power are available from a basic development of Bradley Lake drainage. Auxiliary downstream installation could add substantially to the annual energy output.

Total estimated Federal cost of survey	$430,000
Amount in 1961 budget	40,000
Amount requested for 1961 fiscal year	40,000

Hydaburg.—Hydaburg is located on Sukkwan Straits, on the west side of Prince of Wales Island. The town is situated on the eastern side of the straits, near their northwestern terminous. Relatively good protection is afforded from all directions except that of the south and southeast. Almost all the severe storms in this area approach from these directions, using the straits as a natural channel. Twice in the winter of 1959–60 wind velocities have reached more than 95 m.p.h. and winds of 50 to 70 m.p.h. are common occurrences. A fleet of some 25 seine and trolling boats with a combined value of close to $500,000 is permanently based at hydaburg. Presently, in the winter, the boats use a small cove about 1 mile from the cannery dock for anchorage. Value of transient boats, not including scheduled carriers such as the mailboat and tanker, would approach $50,000. It is estimated there is an average of 8 to 10 landings per day at the cannery dock during the year for such purposes as fuel, provisions, repairs, delivering fish, taking ice, etc. The residents of Hydaburg are owners of the salmon cannery, which is the principal source of income in the community. The major portion of this installation is on piling which extends into Sukkwan Straits and is exposed to the full force of southerly or southeasterly storms. The dock structure was constructed in 1949 and while new held up fairly well against the sea and wind. However, the wear and tear of heavy storms and the tugging of boats are having adverse effects on the structure. A breakwater would insure years of use of the dock structure without the expense of extensive repairing or rebuilding. This community-owned installation could not be replaced for $700,000. The residents desire a breakwater. Survey directed by Senate Public Works Committee resolution of February 9, 1960, for possible breakwater protection.

Total estimated Federal cost of survey	$22,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	14,000

Knudson Cove.—Knudson Cove on Revillagigedo Island in southeastern Alaska is located in the center of one of the major sport and commercial fishing areas of southeastern Alaska. Hundreds of fishing boats, both sport and commercial, use the mooring facilities there. Knudson Cove is completely unsuitable for winter moorage due to lack of a breakwater to protect moorage facilities and boats suffer great damage each year because of lack of breakwater protection. Survey directed by Senate Public Works Committee resolution of November 24, 1959, for possible breakwater protection.

Total estimated Federal cost of survey	$20,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	15,000

Petersburg Harbor.—Petersburg, located on Mitkof Island at the northern limit of Wrangell Narrows, is one of the larger ports in southeastern Alaska, and constitutes the principal supply and distributing center for an extensive and highly productive surrounding area. This project provided for the dredging of suitable approaches to the existing wharves to a depth of 24 feet at mean lower low water; a small boat basin 11 feet deep between Trading Union Wharf and Citizens Wharf to a line following the present mean lower low water line: and a short channel 40 feet wide and 8 feet deep on the south side of the Forest Service float. This work was completed in 1937 at a cost of $88,387 in Federal funds. The project was modified in 1945 to include enlarging the basin by dredging an area of about 135,000 square feet adjacent to and shoreward of the existing project to a depth of 11 feet at mean lower low water. A further modification authorized in 1954, provided for deepening the outer one-third of the existing basin to a depth of 15 feet at mean lower low water. Work on these two modifications was completed in 1957 at a cost of $163,243 in Federal funds. The average annual tonnage handled at this port for the years 1936 through 1957 was 30,793 tons. Survey directed by Senate Public Works Committee resolution dated February 14, 1959, for possible deepening and enlarging of existing boat harbor.

Total estimated Federal cost of survey	$18,000
Amount in 1961 budget	7,000
Amount requested for fiscal year 1961	18,000

Seward.—Seward is the southern ocean terminus of the Alaska Railroad and is the point of transfer from water to rail of practically all freight, other than military, which is routed through Whittier, for the interior of Alaska. The average annual tonnage handled at the port of Seward during the years 1936 through 1957 was 328,909 tons. Seward is also the center of a fishing industry. The original project provided for a harbor of refuge for small boats 207,000 square feet in area and 12½ feet deep at mean lower low water, and a south breakwater 580 feet long with an elevation of 16 feet above mean lower low water. This work was completed in 1931 at a cost of $103,203 in Federal funds. A modification of the project was found necessary due to strong northerly winds. A rubble-mound breakwater 950 feet in length also at an elevation of 16 feet above mean lower low water on the north side of the basin was constructed in 1937 at a Federal cost of $50,951. A modification of the basin, authorized in 1954 and completed in 1956 at a Federal cost of $137,133 provided for the raising of the south breakwater to an elevation of 19 feet above mean lower low water and the construction of two pile breakwaters to partially close the east entrance. Total costs to date for this project have been $291,287 in Federal funds. With the aid of the Alaska Highways and Public Works Department, the residents of Seward have acted to install 374 feet of additional floats to accommodate only shallow draft craft and the officials of Seward have already received many applications for moorage space to take all additional float area. Several shrimp processing plants have been established at Seward and in 1959 the Seward residents were anticipating 25 to 30 additional shrimp boats, along with 50 to 80 trollers. There is no moorage space for these additional shrimp and other fishing fleets. Survey directed by Senate Public Works Committee resolution of June 16, 1959, for possible expansion of existing small boat harbor.

Total estimated Federal cost of survey	$18,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	18,000

Valdez.—Valdez is the ocean terminus of the Richardson Highway. Fourteen island settlements are dependent upon small-boat transportation to Valdez. The original project provided for a small-boat and seaplane basin 300 by 400 feet, dredged to a depth of 12 feet below mean lower low water in the tide flat area between the wharves, and a diversion of a small creek away from the basin site. The project was completed in 1939 at a cost of $52,361 in Federal funds. The basin is used as a base for commercial fishing in addition to utiliza-

tion by local settlements. A modification of the project was authorized in 1954 to include construction of a rock breakwater 475 feet in length along the southeast side and two treated pile breakwaters to partially close the southwest side in order to protect the small-boat harbor from wave action. Construction was accomplished in 1957 at a cost of $115,954 in Federal funds. The average annual tonnage handled at the port of Valdez for the years 1936 through 1957 was 47,498 tons. In 1958 upwards of 72 boats were moored at the small-boat float in the basin which according to the reports of the Corps of Engineers was designed to accommodate about 50 boats. Since the need for more harbor refuge was so great, the town of Valdez undertook partial emergency remedial measures and spent about $40,000 in 1959 to dredge out a portion of the 7 acres of tide flats adjacent to the existing 3-acre basin. Arrangements were made to install additional mooring floats in this newly dredged area. Since the need for a better harbor is greater than efforts by the town of Valdez can alleviate, a survey is desired for possible expansion of the existing facilities. Such a survey was directed by Senate Public Works Committee resolution dated June 16, 1959.

Total estimated Federal cost of survey	$18,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	18,000

ALASKA GENERAL INVESTIGATIONS FLOOD CONTROL

Harbors and rivers.—Same as "Harbors and rivers navigation."

Total estimated Federal cost of survey	$850,000
Amount in 1961 budget	30,000
Amount requested for 1961 fiscal year	30,000

Knick River.—There is an indicated potentiality of 120,000 kilowatts of prime and 190,000 kilowatts of installed capacity at 0.60 load factor. Knick Glacier enters a wide valley from the side, forming a natural dam behind which Lake George accumulates the annual runoff from about 870 square miles of which 40 percent comprises glaciers and perennial icefields. Each year, in July or August, the lake overtops the ice barrier at the valley wall, cutting a channel which widens as it undercuts the glacier front, and empties into Knick River below the glacier in a torrent which lasts only 7 to 9 days. After the lake empties, the glacier front resumes its advance and again blocks the channel to repeat the annual cycle. The estimated annual runoff is in excess of 3½ million acre-feet. Power would be developed by conveying the water through one or two tunnels driven through the valley wall ahead of the glacier to a powerhouse. This annual flood threat, principally to the Government-owned Alaska Railroad but also to the highway and to homes, has progressively increased, although in 1959 the usual action did not take place. Rising from a flow of between 6,000 and 10,000 cubic feet per second, the crest averaged 194,000 cubic feet per second for 5 years between 1948 and 1952, 259,000 cubic feet per second for 4 years from 1953 to 1956, and reached 338,000 cubic feet per second in 1957. The flood damage sustained in 1958 is estimated at about $300,000. The Corps of Engineers believes extensive investigations requiring several years to complete would be required to determine the engineering feasibility and economic justification for developing a project of flood control and other purposes at this locality. In cooperation with the Alaska Railroad, the U.S. Geological Survey in 1959 started compiling flood discharge data for a comprehensive study of Knick River flood characteristics to determine what engineering work was needed to be done to protect the Alaska Railroad bridge on the Knick River. Survey directed by Senate Public Works Committee resolution of June 2, 1959, for possible flood control and related improvements.

Total estimated Federal cost of survey	$300,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	30,000

Kodiak.—The city of Kodiak, due to its location in a central area known as the Kodiak Valley, is confronted each year during the spring runoff, and also during periods of heavy rain, with overflow of the creek draining into and through this valley. It appears that the provision of adequate protection is beyond the resources of local groups. A survey at and in the vicinity of Kodiak

is needed to determine whether flood control works should be provided at this time. Survey directed by Senate Public Works Committee resolution dated April 25, 1959.

Total estimated cost of survey	$25,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	20,000

Lowell Creek project and Resurrection River and Clear Creek.—The general population increase in the Seward area, both within the city and along the Anchorage-Seward Highway for about 10 miles outside the city, has resulted in the development of areas which are subject to flooding. It appears that the provision of adequate protection is beyond the resources of local groups. A survey of Lowell Creek and Resurrection River and Clear Creek, is needed to determine whether additional flood control works should be provided at this time. Survey of Lowell Creek directed by Senate Public Works Committee resolution dated February 10, 1959, and survey of Resurrection River and Clear Creek directed by Senate Public Works Committee resolution dated April 6, 1959.

Total estimated cost of survey	$25,000
Amount in 1961 budget	0
Amount requested for 1961 fiscal year	15,000

Valdez.—Valdez is the ocean terminus of the Richardson Highway and is an all-year ice-free port. Valdez is threatened each year by glacier streams which flow into Valdez Arm from the Valdez Glacier and in years past considerable damage has been sustained. Survey directed by Senate Public Works Committee resolution dated May 15, 1959, to determine feasibility of flood control improvements.

Total estimated Federal cost of survey	$25,000
Amount in 1961 budget	0
Amount requested in 1961 fiscal year	20,000

ALASKA GENERAL INVESTIGATION

Rampart Canyon.—This is considered the outstanding potential power development in all Alaska. It is located at Rampart Rapids, near the middle of a 100-mile canyon section downstream of Yukon River Flats, a broad basin lowland some 200 miles in length having a maximum width of 100 miles. Indications are that the riverbed is of sound granitic rock, as are the abutments which are roughly a half mile apart. With the flow completely controlled here, power production is estimated at about 3,520,000 kilowatts of prime power. The ultimate reservoir area would be about 10,000 square miles. The location of the site, only 100 miles from Fairbanks and approximately 400 miles from Anchorage, would allow power generated to be made available to existing areas of industrial development. Although the location will, as noted, permit transmission to the cities of Fairbanks and Anchorage, it is, at the same time, in an area where flooding incident to reservoir construction will not cause economic disruption or involve large relocation costs. There is no question that, with the availability of the tremendous amounts of low cost electric power which could be produced at Rampart, further industrial development of the entire region would be rapid indeed.

Total estimated Federal cost of survey	$1,460,000
Amount in 1961 budget	100,000
Amount requested for 1961 fiscal year	[1] 350,000

[1] $240,000 Corps of Engineers, $110,000 Fish and Wildlife Service.

ALASKA OPERATION AND MAINTENANCE

Nome Harbor.—Nome is the commercial port for the extensively mineralized Seward Peninsula, and principal distributing point for the coast of Alaska from the Kuskokwin River to Herschel Island in the Arctic Ocean, a distance of about 2,000 miles. The original project provided for two parallel timber and concrete jetties, each 400 feet long, at the mouth of the Snake River, and a channel 75 feet wide and 8 feet deep from Norton Sound to the mouth of Bourbon and Dry Creeks ending in a basin 200 feet wide and 250 feet long. Work was completed in 1923 at a cost of $272,950 in Federal funds. Owing to extensive

storms and ice damage, the jetties were reconstructed with concrete and steel to modified lengths of 240 and 400 feet. This work was completed in 1940 as a maintenance project. A modification in 1930 recommended that the east jetty be extended approximately 616 feet and the west jetty extended not more than 216 feet. A review of reports in 1934 recommended that the existing project be further modified to provide an extension to the existing turning basin 250 feet wide and 400 feet long and 8 feet deep. Both modifications were adopted in August 1935 and dredging of the basin was completed in 1951 at a cost of $19,159 in Federal funds. The authorized extension of the jetties has been placed in the inactive category. Cargoes from ocean vessels are lightered to and from shore, a distance of about 2 miles. Traffic enters the dredged channel and freight is handled over the revetment, where transfer facilities are available. The average annual tonnage handled at the port of Nome for the years 1936 through 1957 amounted to 43,582 tons. A project to provide for construction of a rock-mound seawall extending from the east jetty easterly 3,350 feet along the waterfront was authorized in 1948 to afford protection to shore installations from southerly storms. Work on the seawall commenced in 1949 and was completed in June 1951 at a cost of $1,056,256 in Federal funds. Since completion of the seawall, 12 storms have been experienced, 2 of which were of an intensity that would have caused damage estimated to exceed one-half of the cost of the seawall. Total estimated damage prevented by construction of the seawall is approximately $750,000.

Amount in 1961 budget	$50,000
Amount requested for 1961 fiscal year	50,000
Work to be accomplished with requested amount	
Operation and maintenance	

MONDAY, APRIL 11, 1960.

PUBLIC WORKS PROJECTS IN THE PACIFIC NORTHWEST

WITNESS

BYRON PRICE, CHAIRMAN, PACIFIC NORTHWEST UTILITIES CONFERENCE COMMITTEE

Mr. RABAUT. Next is the Pacific Northwest Utilities Conference Committee, Mr. Byron Price, chairman.

Mr. PRICE. Mr. Chairman and members of the committee, my name is Byron Price. I am superintendent and secretary of the Eugene Water & Electric Board in Eugene, Oreg. I am appearing here today representing the Pacific Northwest Utilities Conference Committee as its chairman.

As many of you gentlemen know, the utilities conference committee is an organization composed of publicly owned and investor-owned electric utility systems in the Pacific Northwest. The committee was organized in Tacoma in 1947. This committee works with various agencies of the U.S. Government in matters relating to civil defense, national defense, and defense production, as these items are related to electric power.

In the last year, the committee has been expanded to the full 25 membership that it is now. We represent or serve 1,352,000 customers in the Northwest. As you can see, that would represent something over 80 percent of the entire population of the area we serve. The membership has been expanded from previous membership so now it includes 4 private companies, 70 municipalities, 13 public utility district organizations, and 1 large cooperative. We find that the committee is a very handy organization in coordination and in reviewing the budget of the Bonneville Power Administration and the

Corps of Engineers, and, of course, in cooperating closely and coordinating our review with such organizations as the Impire Waterways Association, whom you will hear later today.

In addition to these functions, the conference committee acts for a major segment of the Northwest electric utility industry as a contact with agencies of Government which are responsible for Federal activities in the fields of production and transmission of electric power. Each year the conference committee reviews the budgets of the Bonneville Power Administration and the Corps of Engineers and advises Congress of the committee's position on these budgets and various items in them.

This is the 14th consecutive year we have appeared before you. This year, as in the past, we have carefully reviewed the appropriations requests relative to water resource developments in our region and we have met with the administrative and operating staffs of the Bonneville Power Administration and the North Pacific Division of the Corps of Engineers. Each item upon which we will testify today has received our careful study, and this statement which I will present has the unanimous consent of the Utilities Conference Committee.

Before I proceed with my testimony on these appropriations requests, I would like to invite to your attention the list (exhibit I) which appears at the end of this presentation which enumerates the members of the conference committee and contains the total of the number of customers served by the conference committee's members. You will note that the membership includes 25 utility systems, 21 of which are public agencies, 4 of which are private companies. Together, these utilities serve 1,352,676 customers, which, in turn, represent about 4 million people. This is in excess of 80 percent of the total population of the area which we serve in Oregon, Washington, and Idaho. The membership of the committee remains the same as during the year 1958–59. The total customers served has increased by approximately 2 percent, which represents to some degree the growth of the region.

Power resources in the load area of the conference committee members are predominantly hydroelectric. This is expected to continue through at least a 10-year period. It is through the comibned efforts of the Federal agencies and the non-Federal utilities that we have been able to meet the requirements for power in the Pacifi Northwest. During the past year, non-Federal generator installations in the area were increased by nearly 400,000 kilowatts. This, together with the 387,250 kilowatts installed in the Federal system, has kept pace with the load growth and has, for the first time in many years, resulted in a small reserve of hydroelectric generator facilities. The estimated load growth of the area is expected to rapidly absorb this small reserve. A substantial amount of the non-Federal generators will be installed on the Columbia River and its main tributaries. This will require close coordination in the operation and storage releases from Federal projects as well as the non-Federal. Close hydraulic and electrical coordination is required if te maximum load is to be carried on the combined systems. The existing transmission grid with some additions will provide the means for this coordination through exchange of energy, supply of energy in return for storage service, and wheeling of energy from the non-Federal plants to load centers.

There are a large number of projects under investigation and serious consideration by the utilities of the Pacific Northwest. At the same time, there are many obstacles in the path of the actual construction. If we are to meet the regional power requirements, it will be necessary that both the Federal and the non-Federal effort be coordinated and carried forward in a planned program.

The committee has reviewed the appropriation requirements for the various multi-purpose resources projects in the Pacific Northwest. These projects are the ones proposed and under construction by the Corps of Enigneers with the power which is generated being marketed by the Bonneville Power Administration. There are a number of projects involved in this year's budget that are very important to the region. Most of the projects have been adequately provided for in the President' budget recommendations to the Congress. However, there are some projects that could usefully use slightly higher appropriations than requested by the President. These increases have been listed in exhibit II.

Green Peter Reservoir, Oreg., is an important flood control and power project. A minimum of $2,500,000 for construction will enable the Corps of Engineers to effectively initiate the relocation and land procurement program. This initial construction phase is most important if an orderly program is to be followed.

The President's budget recommended $41,800,000 for the John Day lock and dam, Oregon and Washington, for fiscal year 1961. As a result of very favorable bidding on the first major construction contract at the project, the division engineer now advises that the amount of $37 million will be adequate to keep the construction of the project on schedule. The revised amount of $37 million represents the maximum which can be utilized in the fiscal year 1961 from an engineering standpoint. With this in mind and with the assurance that this reduction will in no way delay the power-on-the-line dates or overall completion of the project, this committee recommends the reduced appropriation.

Lower Monumental lock and dam, Washington, is considered an important project in the development of the lower Snake River. This project is the next step upstream from Ice Harbor and is the second of a series of four projects which will ultimately provide slack water navigation to Lewiston, Idaho, and other tremendous production areas of southeastern Washington, northeastern Oregon, and central Idaho. The power produced at the project will be needed at the time of the scheduled completion of the construction. It is good business to carry construction of these Snake River projects to completion as early as possible in order that maximum benefits might be attained.

The importance of recreation facilities at the completed projects, or for that matter for projects under construction, is an essential part of development. It is highly desirable that such facilities be provided in order that the maximum benefits of the project can be attained. Recreation is rapidly becoming an important beneficial use of water resources. It is recommended that the committee give favorable consideration to the increases shown in exhibit II.

There is one additional project in the area which is of major significance, and that is Libby Dam on the Kootenai in northwestern

Montana. You are aware that this project extends its reservoir into Canada and, therefore, agreement for its construmtion must be obtained from our northern neighbor. Fortunately, significant strides have been made in recent months to resolve this matter and there is a good chance that construction of Libby may proceed in the near future. The conference committee recommends that Congress authorize and appropriate $387,000 for advance engineering and design on the Libby project in order there would be no delay in the planning for this important project.

I would now like to discuss the budget requests of the Bonneville Power Administration. Bonneville Power Administration has requested $30,117,000 for fiscal year 1961. The Administrator has said that $19,142,000 of this amount is to be expended for construction and that the balance, $10,975,000, will be spent for operation and maintenance. This total budget is $1,335,000 less than the funds appropriated for 1960. We have studied these items and are in general agreement with Bonneville Power Administration's budget requests. The conference committee therefore recommends the total budget request for 1961 in the amount of $30,117,000 for Bonneville Power Administration activities.

At this time I would like to invite your attention to exhibit III which is the "West Group Forecast of Power Loads and Resources for the period July 1960–June 1971." This report was made by the Utility Conference Committee's Subcommittee on Loads and Resources on January 29, 1960.

In summary, the conference committee, as it has in the past, would like to make it very clear to the Congress that the utility industry of the Northwest does not feel that the Federal Government has the sole responsibility to construct all the power facilities which our region may need. Our requests to the Congress are based on the principle of teamwork. While the Federal Government has an understandable interest in the multiple-purpose development of the Columbia River Basin, this conference committee does feel that the non-Federal agencies of the area should be permitted and encouraged to continue to construct their projects since the basic utility responsibility in the region naturally rests with the electric companies and public agencies which provide direct service to the customer. In meeting this responsibility, these utility agencies have undertaken what is, without question, the largest hydroelectric construction program in the history of the United States. Currently, and for several years ahead, power for all in our area is in good supply. This results from the construction of power production facilities of non-Federal as well as Federal agencies.

Our request to you is that the Government prosecute construction of the Federal projects in a manner which is consistent with the program undertaken by the region's non-Federal utilities. It is vital that the Congress keep pace with the development program by the construction of certain projects which have been authorized for Federal development. Our request for appropriations to you today is geared to that principle. Expenditures which we recommend will permit the Government to meet the responsibilities which have accrued to it by virtue of its authorization of certain power developments. We earnestly urge this committee to consider our recommendations.

The Columbia River fishery development program, which has been in operation for several years, has the full support of the Pacific Northwest Utilities Conference Committee. This program is designed to counteract damage to fishery resources in the Lower Columbia River Basin caused by construction of dams. It is carried on cooperatively between the United States and the appropriate agencies in the States of Oregon and Washington. At the same time many of the non-Federal utility agencies of the area have likewise carried on extensive programs to conserve and enhance our fishery resource. The conference committee recommends that the Congress appropriate the sums requested in the President's budget for this program. The amounts requested are $1,915,000 for operation and maintenance and $1,400,000 for new construction. It is our understanding that this program is now approximately 65 percent complete and that the money requirements to complete the program are $8,449,000. It is recommended by the conference committee that this program be continued on schedule and such appropriations be made in future years as are requested.

Again, on behalf of the conference committee and the four million people who look to us for electric service, I would like to thank you for the opportunity to appear before you today. As we have demonstrated over the years, the conference committee members are ready and anxious to cooperate with Congress in any and all ways which will promote the best interests of the electric power consumers in the States in which we operate.

(The exhibits follow:)

EXHIBIT I

Members Pacific Northwest Utilities Conference Committee, Sept. 1, 1959 to Aug. 31, 1960

Name and address:	*Customers served*
1. Cascade Locks City Light, Cascade Locks, Oreg	561
2. Central Lincoln PUD, Newport, Oreg	12,114
3. Chelan County PUD, Wenatchee, Wash	16,474
4. Coos-Curry Electric Cooperative, Inc., Coquille, Oreg	5,774
5. Douglas County PUD, Bridgeport, Wash	5,577
6. Eugene Water & Electric Board, Eugene, Oreg	27,378
7. City of Forest Grove, Forest Grove, Oreg	2,838
8. Grant County PUD No. 2, Ephrata, Wash	14,043
9. Grays Harbor County PUD, Aberdeen, Wash	22,068
10. City of McMinnville Water & Light Department, McMinnville, Oreg	3,884
11. Milon-Freewater Utilities, Milton-Freewater, Oreg	2,466
12. Pacific Power & Light Co., Portland, Oreg	249,401
13. Portland General Electric Co., Portland, Oreg	249,968
14. Puget Sound Power & Light Co., Seattle, Wash	208,927
15. Seattle City Light, Seattle, Wash	231,367
16. Snohomish County PUD, Everett, Wash	58,237
17. Tacoma City Light, Tacoma, Wash	63,849
18. The Washington Water Power Co., Post Office Drawer 1445, Spokane, Wash	148,390
19. Washington Public Power Supply System, Kennewick, Wash. Member systems:	
20. Benton County PUD, Kennewick, Wash	10,054
21. Callam County PUD, Port Angles, Wash	5,366
22. Ferry County PUD, Republic, Wash	1,237
23. Franklin County PUD, Pasco, Wash	7,137
24. Kittitas County PUD, Ellensburg, Wash	539
25. Klickitat County PUD, Goldendale, Wash	5,027
Total, customers served	1,352,676

EXHIBIT II

Fiscal year 1961 appropriation recommendations, Pacific Northwest Utilities Conference Committee

CORPS OF ENGINEERS—CIVIL WORKS PROJECTS

Project	President's budget	Recommendations of the Pacific Northwest Utilities Conference Committee
ADVANCE ENGINEERING AND DESIGN		
Libby Reservoir, Mont.		[1] $387,000
Little Goose lock and dam, Washington	$550,000	550,000
Lower Granite lock and dam, Washington		500,000
CONSTRUCTION—GENERAL		
Multiple-purpose projects, including power:		
Cougar Reservoir, Oreg.	12,300,000	12,300,000
Green Peter Reservoir, Oreg.	1,400,000	2,500,000
Hills Creek Reservoir, Oreg.	10,500,000	10,500,000
The Dalles Dam, Oreg. and Wash.	1,900,000	1,900,000
Albeni Falls Reservoir, Idaho	[2] 20,000	[2] 42,000
Chief Joseph Dam, Wash.	300,000	300,000
Ice Harbor lock and dam, Washington	30,000,000	30,000,000
John Day lock and dam, Oregon and Washington	41,800,000	[3] 37,000,000
Lower Monumental lock and dam, Washington		[4] 5,000,000
Lookout Point	[2] 20,000	[2] 42,000
McNary lock and dam	[2] 30,000	[2] 50,000
COLUMBIA RIVER FISHERY DEVELOPMENT PROGRAM		
Operation and maintenance	1,915,000	1,915,000
Construction	1,400,000	1,400,000

DEPARTMENT OF INTERIOR—BONNEVILLE POWER ADMINISTRATION

Operation and maintenance: New appropriations	$10,975,000	$10,975,000
Construction:		
New appropriations	18,720,000	18,720,000
Carryover from prior fiscal year	422,000	422,000
BPA combined program		30,117,000

[1] Note discussion re this item in testimony.
[2] Recreational facilities at completed projects.
[3] Note discussion of this reduction from President's budget in testimony.
[4] Note discussion re Lower Monumental project in testimony.

Exhibit III

Explanation of Procedure and Methods Used in Computing the West Group Forecast of January 29, 1960

Area included covers the utilities operating in and supplying the consumer demands for the State of Washington, the northern part of Idaho and the northwest area in the State of Oregon bounded approximately by Pendleton in the east and Bend and Coos Bay in the south. In addition, the Bonneville Power Administration load in the State of Montana is included in the West Group loads and the Hungry Horse and Noxon hydroelectric plants located in western Montana are included in the west group resources.

Load estimates are made by each utility of the area or by their principal supplier. No change in these estimates is made by the Load Resources Subcommittee. The total estimated load for the area is the sum of the utility estimates.

Resource estimates include facilities in operation, facilities under construction, proposed Federal facilities authorized and for which money has been appropriated to start construction and non-Federal facilities for which license has been issued by the Federal Power Commission. Those projects actively being investigated and in many instances for which application to construct has been made are not included in the computed resources of the area.

Water years on which resources estimates are based are the historical critical year of the area which determines the amount of firm load which can be carried and a median month year which shows the amount of secondary energy available in one-half of the years which can be used to conserve fuel in thermal plants and to supply interruptible loads (it should be noted that energy shown is not available in equal amounts throughout the year).

Capability of west group is limited by energy supply and the hydro dependable capacity is in relation to the energy limitations. Energy capability is related to the critical period September 1–April 15 of the 1936–37 adverse water year. Because of reservoir limitations the firm energy deficiency could not be held at a uniform level during this entire period, and the energy calculations are based on the November through March period during which the maximum level of energy deficiency prevailed. Machine capacity is in excess of dependable capacity and, coupled with secondary resources in the median water year and during the runoff season, can be partially utilized for interruptible load and replacement of fuel generation.

The tabulations include only that interchange with outside parties presently under firm contract although exhibits have been included in the main report to indicate potential interchange with outside parties. Thermal facilities of the west group are considered reserve resources.

Firm peakload growth for the area is at an annual rate of approximately 6.4 percent (energy 5.8 percent) which is slightly above that of the previous forecast. The initial total peakload level is about 50 microwatts (energy 90 microwatts) below the corresponding year in the previous forecast.

West group forecast—Estimated loads and resources, July 1960 to June 1971

[Figures are megawatts]

	1960–61	1961–62	1962–63	1963–64	1964–65	1965–66	1966–67	1967–68	1968–69	1969–70	1970–71
1. Total peak load	8, 997	9, 539	10, 143	10, 729	11, 346	12, 020	12, 715	13, 510	14, 322	15, 152	16, 030
2. Interruptible load	535	421	433	444	444	444	444	474	474	474	474
3. Firm peak load	8, 462	9, 118	9, 710	10, 285	10, 902	11, 576	12, 271	13, 036	13, 848	14, 678	15, 556
4. Percent peak firm load growth		7.8	6.5	5.9	6.0	6.2	6.0	6.2	6.2	6.0	6.0
5. Hydro dependable capacity	8, 431	9, 283	9, 480	9, 909	10, 200	10, 203	10, 341	11, 185	11, 460	11, 518	11, 597
6. Additional dependable capacity required	31	[1](165)	230	376	702	1, 283	1, 930	1, 851	2, 388	3, 160	3, 959
7. Annual average—Total energy load	5, 988	6, 300	6, 648	6, 979	7, 321	7, 689	8, 077	8, 490	8, 933	9, 378	9, 850
8. Annual average—Interruptible load	541	437	439	450	450	450	450	480	480	480	480
9. Annual average—Firm energy load	5, 447	5, 863	6, 209	6, 529	6, 871	7, 239	7, 627	8, 010	8, 453	8, 898	9, 370
10. Firm energy deficiency (above hydro) [2]	20	[1](106)	147	239	442	802	1, 100	1, 137	1, 458	1, 915	2, 384
11. West group steam and miscellaneous energy available for reserve and for line 6 [3] and line 10 deficiencies	427	427	427	427	427	427	427	427	427	427	427
12. Estimated additional energy available from east group during storage season	179	216	169	239	379	433	365	455	376	480	404
13. Approximate secondary energy available during storage season of median water year	1, 000	1, 200	1, 300	1, 300	1, 300	1, 400	1, 400	1, 400	1, 600	1, 600	1, 600

[1] Parentheses indicate surplus.

[2] Increase by about 8 percent for storage season.

[3] Steam and miscellaneous peak capacity (for line 6) is 557 megawatts.

New hydrogenerating units installed during the report period

Location	Date of completion	Nameplate rating
Noxon	March 1960	[1] 84
Baker	September 1960	[1] 64
Priest Rapids	November 1960	[1] 552
The Dalles	do	[1] 312
Hills Creek	November 1961	30
Ice Harbor	December 1961	270
Rocky Reach	February 1962	712
Mayfield	July 1962	120
Carmen-Smith	September 1962	95
Cougar	November 1962	25
Wanapum	January 1965	831
Mossyrock	April 1965	225
John Day	February 1969	1,304
Total new installations		4,624
Dec. 31, 1959, installed capacity		9,060
Total installed hydro capacity		13,684

[1] Addition to existing plant (to be added subsequent to Dec. 31, 1959).

NOTE.—Capability of West Group is limited by energy supply and the hydro dependable capacity (line 5) is in relation to the energy limitation. Energy capability is related to the critical period Sept. 1 to Apr. 15 of the 1936-37 adverse water year. Because of reservoir limitations the firm energy deficiency could not be held at a uniform level during this entire period, and the energy calculations above are based on the November through March period during which the maximum level of energy deficiency prevailed. Machine capacity (not shown) is in excess of dependable capacity and, coupled with secondary resources in the median water year and during the runoff season, can be partially utilized for interruptible load and replacement of fuel generation.

MONDAY, APRIL 11, 1960.

PACIFIC NORTHWEST PROJECTS

WITNESSES

HERBERT G. WEST, EXECUTIVE VICE PRESIDENT, INLAND EMPIRE WATERWAYS ASSOCIATION
CHARLES F. BAKER, PRESIDENT, INLAND EMPIRE WATERWAYS ASSOCIATION
NORMAN L. KREY, VICE PRESIDENT FOR WASHINGTON, INLAND EMPIRE WATERWAYS ASSOCIATION
LEW S. RUSSELL, SR., COMMISSIONER OF THE PORT OF PORTLAND, OREG.
GEORGE C. CADWELL, PRESIDENT, PORT OF VANCOUVER, WASH.

Mr. RABAUT. Mr. Herbert G. West.

Mr. WEST. Mr. Chairman, we have three or four witnesses to be included in our time. May I call them to the table?

Mr. RABAUT. Very well.

Mr. WEST. My name is Herbert G. West. I am executive vice president of the Inland Empire Waterways Association, with headquarters at Walla Walla, Wash.

At this time I would like to introduce our president, Mr. Charles Baker, who also is the general manager of one of our large farm cooperative organizations, Pacific Supply Cooperative. He has a statement he wishes to make.

Mr. BAKER. Mr. Chairman, I would like to submit a statement to the committee.

Mr. RABAUT. The statement will be placed in the record at this point.

(Mr. Baker's statement follows:)

STATEMENT OF CHARLES F. BAKER, SECRETARY AND GENERAL MANAGER, PACIFIC SUPPLY COOPERATIVE

My name is Charles F. Baker, secretary and general manager of Pacific Supply Cooperative, whose main office and headquarters are at Walla Walla, Wash. I am also the president of the Inland Empire Waterways Association. Pacific Supply Cooperative is a large regional farm supply and marketing cooperative serving more than 100,000 farm families in the States of Oregon, Washington, and Idaho. For more than 25 years we have actively supported the maximum comprehensive water resources development of our water resources in the Pacific Northwest, and particularly the Columbia and Snake River drainage system. We have done so for the following reasons:

(1) High cost transportation in the Pacific Northwest on farm products moving long distances to markets has long been a serious handicap to our growing economy. The development of slack water navigation into Lewiston, Idaho, on the Snake River, and to Wenatchee, Wash., on the Columbia River, will have a profound effect on the entire transportation system of the area. Already several million tons of cargo are moving to and from Portland, Oreg., and Pasco, Wash., on the Columbia River, which has had a significant effect on transportation rates charged in the area on both farm products moving to market as well as products used in the industrial trade which lend themselves to water transportation. When the rivers are canalized to Lewiston and Wenatchee, we can look for reductions in transportation costs of as much as 30 percent to 40 percent below the present rates on many essential commodities.

(2) The major source of energy for developing industry in the Northwest comes from our low cost hydropower developed at multipurpose dams on the Columbia and Snake Rivers. To date many new manufacturing enterprises using low-cost electric power have established plants in the Northwest, and more are certain to come as additional power is developed and made available. These new industries mean jobs for people, and jobs for more people mean markets closer to home for the farm products produced in the area, and all of this without any cost in the final analysis to the Federal Government, because the power rates will repay the cost of these dams with interest in approximately 50 years.

(3) This program has already brought under irrigation hundreds of thousands of acres of fertile farmlands and with probably another half million or more acres available to be developed as this program moves ahead.

(4) The flood control which additional dams, particularly in the headwaters of the Columbia and Snake, will me it possible to go a long way toward reducing the millions of dollars of flood damage suffered annually by property owners along the Columbia and Snake Rivers. This factor, too, is of great importance to the future economy of the region.

(5) The recreational advantages that are accruing to the people of the region as multipurpose dams establish pools of slack-water navigation are likewise becoming important assets to our economy.

We have been deeply appreciative of the splendid consideration given this program by your committee and the Congress over the past decade, and we strongly urge your favorable consideration of appropriations this year as outlined in the program of the Inland Empire Waterways Association, submitted by our executive vice president, Mr. Herbert G. West.

Mr. BAKER. I would like to point out I am the general manager of a large farm supply cooperative in the Pacific Northwest which serves some 100,000 farm families.

Historically, for many years one of the great problems of agriculture has been the high-cost transportation to the market for the things we grow in the Pacific Northwest. The development of navigation on the Columbia River and Snake River is developing a competitive system which is already bringing very substantial reductions in the cost of transportation to the markets of the world, and partic-

ularly for our wheatgrowers. It is likewise substantially reducing the cost of materials which farmers have to buy to grow these crops.

The second point, which is of great interest to our agriculture in the Northwest, is the development of low-cost hydroelectric power. We are a fast-growing region populationwise. This is the main source of energy we have. It has already brought many industries to the Pacific Northwest which are furnishing substantial employment for this rapidly growing population. We would like to expand that hydroelectric power to its fullest capacity because, looking down the road, it means jobs for people, and that in turn means markets at home to the farmers of the Northwest rather than to have to go to far-distant places at high transportation costs.

I could likewise touch upon the importance of flood control. I could touch upon the importance of bringing in several hundred thousand acres of additional lands under reclamation in these projects, all of which are extremely important to the economy of the Northwest and to the Nation as a whole.

Inasmuch as time is of the essence, I want to close by saying that we completely endorse every statement which will be submitted by our executive vice president, Mr. Herbert G. West, in detail, and specifically that phase of it requesting another $5 million to start Lower Monumental Dam as quickly as possible.

Mr. WEST. Mr. Norman Krey, our vice president for Washington and general manager of the Kaiser Aluminum & Chemical Co., Spokane. Mr. Krey.

Mr. KREY. Mr. Chairman and gentlemen, as vice president of the Inland Empire Waterways Association, I represent the large hydro-users in the Northwest. I should like to emphasize what Mr. Baker has said, and say that it is necessary for the low-cost power industry that we continue on schedule with these projects bringing in power as scheduled. We urge you to appropriate funds to continue this program which has been so successful in the past.

Mr. RABAUT. Thank you, Mr. Krey.

STATEMENT OF MR. LEW RUSSELL, SR.

Mr. WEST. Our next witness will be Mr. Lew Russell, Sr., who is a member of the Commission of the Port of Portland, Portland, Oreg.

Mr. RUSSELL. Mr. Chairman and members of the committee, we endorse and are glad to endorse the program as outlined by the Inland Empire Waterways for continued improvements for the coming year, particularly on the upper Columbia and Snake Rivers, as well as some on the Willamette.

Specifically, I would like to leave this thought: Although our operation at the port of Portland is in Portland and Oregon, we are not provincial. We are for the Northwest. Therefore, we are particularly interested in the continued development and construction of the dam for navigation.

Mr. WEST. Mr. Chairman, I would like to introduce Mr. George Cadwell, who is president of the port of Vancouver, Wash.

Mr. CADWELL. Mr. Chairman and gentlemen, I am not going to take any time. I see you were over 30 minutes late starting. I want to endorse what each of these gentlemen has said. We are at the lower

end of the Columbia River where we get all this freight in barges. We want to endorse everything that the Inland Empire Waterways are proposing today.

Mr. RABAUT. Thank you. I feel like complimenting you. You are interested in a great territory of the country.

We will insert Mr. West's statement at this point.

(Statement referred to follows:)

STATEMENT OF HERBERT G. WEST, EXECUTIVE VICE PRESIDENT, INLAND EMPIRE WATERWAYS ASSOCIATION

My name is Herbert G. West, executive vice president of the Inland Empire Waterways Association, the main offices and headquarters of which are located in Walla Walla, Wash. Ours is the only regional organization in the Pacific Northwest dedicated to the comprehensive development of all the water resources of the Columbia-Snake River Basin and draws its members from all sections of the region affected. Included in this membership are farmers, farm cooperatives, individual businessmen, large corporations, chambers of commerce, public and private power groups, labor organizations, port districts, financial institutions, county and city governments, and other interested individuals—truly a representative cross section of the economy of all the territory in Oregon, Washington, and northern Idaho contiguous to the Columbia and Snake Rivers.

We are now in our 27th year of operation and it has been our extreme privilege to have appeared before Subcommittees on Public Works of the House of Representatives in each of our previous 26 years, calling to the attention of these committees the need for expanded development in the Columbia River System to provide for the impact of our increasing population and our national security.

I feel certain that the members of this committee are well advised as to the development program on the Columbia River System and I do believe that they have reached the same conclusion as we in the Pacific Northwest, that it is vitally necessary to follow a comprehensive plan in such a development program, a comprehensive plan developed by sound engineering and economics in which each dam in the system relates to the other, thus bringing about maximum benefits through the proper tie-in of each and every project. Such a comprehensive plan is provided in the 308 Review Report prepared by the U.S. Army Corps of Engineers.

It is in behalf of just such an overall program of development that I represent our organization here today urging your consideration of appropriations which are necessary for fiscal year 1961 to insure its proceeding in an orderly fashion, thus providing electrical energy for the growing population of the Pacific Northwest and for industrial expansion to care for the needs of all our people; navigation for the economical movement of our products downstream and transport of commodities upstream; flood control to protect our cities, industry, and agricultural lands; and irrigation to reclaim our arid lands.

POWER

While the curernt power situation in the Pacific Northwest is not critical and while progress is being made to meet our requirements in the immediate future, due to the time-consuming process of construction of projects, programing must be done now for the future in order to keep pace with our ever-increasing population growth and to provide electrical energy for greatly needed industrial growth and expansion.

According to the 1959–69 advance program of Bonneville Power Administration, the U.S. Columbia River Power System had a generator installation of 5,721,250 kilowatts of nameplate rating on June 30, 1959. This is an increase of 387,250 kilowatts over the installation in service as of June 30, 1958, and included a total of 312,000 kilowatts from unit 5 through 8 which came on the line at the The Dalles Dam, 64,000 kilowatts which went into service during the year at Chief Joseph project, and 11,250 kilowatts produced by the completion of a unit at the Roza project.

Non-Federal generations in the area served by the U.S. Columbia River Power System were increased by 376,600 kilowatts during the period under discussion.

Also according to Bonneville's advance program, additional prime power from installations at both Federal and non-Federal installations scheduled for completion will provide 5,452,950 kilowatts. This additional prime power is expected to provide for the area's growth in power loads until 1965–66. However, included in this scheduled installation are five projects for which we are seeking appropriations here today. Production of power from these powerplants is included in the estimated need until 1965–66 and they must, therefore, be kept on schedule to meet these requirements.

Nevertheless, also according to Bonneville Power Administration's advance program, additional power supply will be needed for the remainder of the period from 1965–66 through 1969–70. This power must come from new hydroelectric projects now under active consideration. We must, therefore, provide now for future needs by getting new projects underway and, most certainly, we cannot fall behind in those already under construction.

Over the many years that our organization has appeared here, we constantly have called to mind the fact that funds appropriated for these needed projects are sound investments of public funds; funds repaid to the Treasury of the United States through power revenues plus interest. However, this is such a splendid record and so indicative of its sound economic basis that I would like once again to refer you to the repayment schedule of the past year.

Included at the rear of this testimony you will find exhibit I which tells the repayment story. Exhibit I(a) tells the overall picture; exhibit I(b) lists individual projects with amounts and percentages repaid.

According to the 1959 report of Bonneville Power Administration, as of June 30, 1959, $268,353,287 of the power capital invested in projects constructed or under construction had been repaid, exceeding the estimated scheduled repayment requirements for the overall system by $64,648,446. Major projects contributing to the excess repayment total include Bonneville Power Administration, $43,251,727 ahead of schedule; Bonneville Dam, $11,282,288; McNary Dam, $7,072,194; and Chief Joseph project, $1,048,924. The balance of the total excess repayment is made up of several lesser projects.

Truly, this is an excellent record and clearly indicates the soundness of the overall program by factual data from the records of the Bonneville Power Administration.

NAVIGATION

Although navigation perhaps does not present such a dramatic picture to the general public as the power problem which touches their lives each and every day of every year, nevertheless it does play a very important role in the economic well-being of the residents of the Pacific Northwest and will continue in an even more important role in the future as it takes its proper place in the backbone of our economy through the creation of lower transportation rates and resulting industrial expansion. As navigation extends farther into the interior, so tonnages increase and industry takes advantage of water transportation to bring in its raw products and export its finished goods. And, so, navigation joins with low-cost available power to attract new industrial developments to an area so in need of them to provide employment for our people and share the tax loads of all levels of Government, county, State and Federal.

EXHIBIT II, a part of this report and compiled from Commerce Reports of the U.S. Army Corps of Engineers, clearly indicates the growth of tonnage on the Columbia River and specifically shows that as navigation improves farther into the interior so does the movement of tonnage going upriver move farther inland and the tonnage going downstream originates from points deeper in the interior. This, indeed, is good for the entire Pacific Northwest, bringing sound economy to the interior and at the same time increasing tonnage at coastal ports which handle the cargo for transshipment to ocean-going vessels.

In addition to showing figures for each of the years from 1952 through 1959, I also have indicated in this exhibit total lockages through Bonneville, The Dalles and McNary for the 3 years just past, 1959, 1958, and 1957. This shows very clearly that of the 1,987,118 tons moving upstream through Bonneville locks, 1,926,003 tons moved on upstream through the Dalles locks and 1,565,262 tons went farther upriver, passing through the locks at McNary. Only 61,115 tons remained on the Bonneville Pool and 360,741 tons on the Dalles Pool. In other words, over 78 percent of the upstream tonnage was delivered to the McNary Pool and beyond.

During that same period of time, McNary Pool originated 1,332,056 tons destined downstream. The reach of the river between McNary lock and dam and the Dalles lock and dam originated 804,889 tons and Bonneville Pool 1,190,868 tons for a total downstream movement of 3,327,813 tons. Therefore, over 40 percent of tonnage moving down the river to ocean ports originated on McNary Pool or above.

The exhibit further shows that while upstream tonnage through McNary lock and dam has not made spectacular gains in the 8-year period, downstream tonnage, moving to our ocean ports has increased from 85,089 tons in 1952 to 507,929 tons in 1959. This is, indeed, a splendid record and again indicative of the fact that as navigation is made available farther into the interior so will the use of water transportation increase as lower freight rates make it possible for our products to compete with world markets.

Proof that this trend is continuing into the year 1960 is also shown in exhibit II in which a breakdown of tonnages for January and February of this year are shown. Totals for this 2-month period indicated an upstream movement of 104,456 tons through Bonneville lock and dam, 100,318 tons moving on up through the Dalles lock and dam, and 82,472 tons finding their way on up through McNary lock and dam. Thus, only 4,138 tons remained on the Bonneville Pool, 17,846 tons stayed on the Dalles Pool, and 82,472 tons moved on into the interior. Of the downstream movement during this 2-month period which totaled 230,706 tons, 126,420 tons originated above McNary Dam, 49,801 from the Dalles Pool, and only 54,485 tons on Bonneville Pool. In other words, in the first 2 months of this year, over 54 percent of total downstream tonnage originated on McNary Pool and beyond.

Most assuredly, as navigation is extended to Lewiston, Idaho, and above and on the upper Columbia River, and with the completion of John Day lock and dam, more and more tonnages will accrue to the overall system.

Also resulting from the extension of water transportation inland is the industrial development made possible through the formation of organized port districts. Thirty-six such legally formed organizations are now in existence on the Columbia-Snake River system and I am including herewith, as exhibit III, a map showing their locations which indicates that they extend throughout the entire basin. These organizations are not merely providing terminal and exchange services—they also are actively engaged in attracting industrial development to the area. We all know how necessary industry is to the economy of any region—it is a must if we are to provide payrolls and jobs for our increasing population.

As an example of what port districts can do for an area industrially, I would like to give you some facts on those port districts now in operation on the McNary Pool—the most recent group to realize benefits of water transportation. To further explain this development, exhibit IV will give you detail on the four districts herein discussed.

At our own port of Walla Walla, six thriving businesses are now in operation, all coming in as a result of port district activity during the years 1957–59. Total plant investment at these six installations amounts to $20,125,000 and taxes paid to Walla Walla County alone for the year 1958 amounted to $120,000.

At the port of Kennewick, Wash., are also six new industries which located in the area due to port district operation. Two of these came in in 1953, but four have located in the area during the past 3 years. Total plant investment of these six industries is $25,033,400 and annual tax payments to Benton County amounted to $303,600 for the year 1958. Also a part of this testimony is exhibit V, an aerial photo of the port of Kennewick which also shows the Cascade-Kraft plant across the river at the port of Walla Walla.

While the port of Pasco, Wash., lists only $575,000 in plant investment and industrial taxes paid to Franklin County for 1958 at only $5,044, this port district now is coming rapidly into an industrial development era. Early this year, the port of Pasco consummated negotiations and took over ownership of what is known as Big Pasco, a Government-owned facility formerly used as a war material reconsignment depot. Included therein are 454 acres of land on the north bank of the Columbia River and eight huge warehouses providing more than 1,382,000 square feet of usable space. This port commission already is negotiating with a number of industries for lease of portions of this property which has been described by many as the finest undeveloped industrial site in the Pacific Northwest. Development of this land will mean much to the economy of the region and could not be accomplished by any other public agency.

Likewise, at the port of Umatilla, Oreg., also on the McNary Pool, industrial development is beginning to advance rapidly. This port district shows a total industrial plant investment of $1,200,000 and taxes paid to the county of Umatilla were in the amount of $24,000 for the year 1958.

All of this new industrial development means great things to the economy of the region—not only to the immediate areas wherein they are located—but to the entire Pacific Northwest and the Nation as well. Where there was barren land only a few years ago—now there is thriving industry and there will continue to be more industry as the port districts continue to grow and expand.

The same situation will be true farther on up the Columbia River and the Snake River as water transportation is made available. Five new port districts (formed in 1958) are located on the lower Snake River while seven new districts were formed in 1958 on the upper Columbia above McNary Pool. Although water transportation still is a thing in the future for these areas, their port commissions already are at work conducting surveys and making plans when such water transportation is a realization for them.

Surely this is a tremendous factor in the future growth and progress of the Pacific Northwest and any delay in our construction program will only serve to hold back the economy of the region.

The story repeats itself over and over. Extension and improvement of our inland waterways and the creation of new industry mean new payrolls, more taxes, and benefits to the entire Nation. In our own Pacific Northwest, they not only mean prosperity, they are vital necessities if we are to survive.

Because of the very great economic benefits to be derived from a comprehensive program, as outlined heretofore, the Inland Empire Waterways Association fully supports the Bureau of the Budget recommendations pertaining to the civil functions of the U.S. Army Corps of Engineers as an absolute minimum for the Columbia and Snake Rivers system in the Pacific Northwest with the exception of the amount designated to the John Day lock and dam.

In this instance the association is recommending a reduced figure, an explanation for which follows in the discussion of the individual project.

The recommendations of the Bureau of the Budget referred to herein appear on the following table:

CONSTRUCTION

Project	*Bureau of Budget recommended amount*
Chief Joseph Dam, Wash	$300,000
Cougar Reservoir, Oreg	12,300,000
Green Peter Reservoir, Oreg. (new start)	1,400,000
Hills Creek Reservoir, Oreg	10,500,000
Howard A. Hanson Reservoir, Wash	4,400,000
Ice Harbor lock and dam, Washington	30,000,000
Lower Columbia River fish sanctuary program	1,400,000
The Dalles lock and dam, Oregon and Washington	1,900,000
John Day lock and dam, Oregon and Washington	41,800,000

PLANNING

Little Goose lock and dam, Washington	550,000

OPERATION AND MAINTENANCE

Lower Columbia River fish sanctuary program	1,915,000

In addition to those items listed in the foregoing table, this association respectfully requests an additional $1,200,000 for Cougar Reservoir, $1,100,000 for Green Peter Reservoir, $100,000 for the Howard A. Hanson Reservoir, $600,000 for the Dalles lock and dam, $5,000,000 for a start of construction on Lower Monumental Dam, and $550,000 for planning on the lower Granite project.

Specific reasons for these requests follow as individual projects are discussed.

Chief Joseph Dam.—Completion of the installation of the initial 16 units for power generation has been accomplished; however, a sum of $300,000 is necessary in fiscal year 1961 to insure completion of this project.

Cougar Reservoir.—A sum of $12,300,000 was recommended by the Bureau of the Budget for this project for fiscal year 1961; however, this project is nearing completion and this association is requesting an additional $1,200,000, or a total of $13,500,000, the amount which has been indicated by the U.S. Army

Corps of Engineers could be economically utilized during this period in order to insure that power is on the line as scheduled in November of 1962.

Green Peter Reservoir.—This project falls in the category of a new start and is of extreme importance both from the standpoint of flood control and power, providing an installed capacity of 81,000 kilowatts. The Bureau of the Budget has provided $1,400,000; however, it is our understanding that an additional $1,100,000, or a total of $2,500,000, is necessary in fiscal year 1961 to get the project off to a proper start. This would provide funds to complete the planning and begin construction later on in the fiscal year. The power is due on the line at Green Peter Reservoir in April of 1966 and any delay in the planning schedule would be very serious to our Northwest power grid. In addition to its power benefits, this project also will provide much needed flood control in the area of the middle Santiam River in Oregon and we do respectively request the consideration of this appropriation of $2,500,000.

Hills Creek Reservoir.—This project likewise is nearing completion and the $10,500,000 as recommended by the Bureau of the Budget for fiscal year 1961 is necessary to keep this project on schedule, bringing power on the line in November of 1961. It is greatly needed to take its proper place in the power grid and this amount also is requested.

Howard A. Hanson Reservoir.—The Bureau of the Budget has recommended $4,400,000 for this project. This association is requesting an additional $100,000, bringing the total to $4,500,000, the figure which has been indicated as necessary for fiscal year 1961 to keep this project on schedule. Howard A. Hanson Reservoir offers a significant and positive contribution to the Nation's defense potential and well being by providing flood protection to the highly developed south Seattle industrialist district from Auburn in Renton, Wash., as well as flood protection to approximately 27 square miles of rich agricultural land between Tacoma and Seattle, Wash. This project is nearing completion and the amount as indicated above is urgently requested.

Ice Harbor lock and dam.—Justification of this multiple-purpose project, the first in a series of four dams on the Snake River, has been made many, many times. It is of great importance to our program of extension of navigation to Lewiston, Idaho, and it also will be a very vital link in the chain of power in the Pacific Northwest. It is extremely important that this project be kept on schedule so that power will come on the line as planned in December of 1961. It is our understanding that the amount recommended by the Bureau of the Budget, $3,000,000, can be economically used during fiscal year 1961 for this project and its appropriation is respectfully requested.

Lower Columbia River fish sanctuary program.—The sums of $1,400,000 for construction and $1,915,000 for operation and maintenance as recommended by the Bureau of the Budget are hereby requested. This is a most important phase of our comprehensive development program and greatly affects the proper prosecution of the rest of the overall plan. The question of fish and their preservation always has presented many problems to those persons interested in the construction of the projects so vital to the area. Considerable progress has been made over the past several years in finding a solution to make it possible for fish and dams to live together, thus preventing delay in construction of our projects. Nevertheless, further research and study is necessary to resolve these problems which constantly come to the forefront when consideration is given to the construction of any dam. I repeat, this is of extreme importance to the rest of our program and the sums as indicated are respectfully requested. In this connection, I would respectfully call your attention to the experimental artificial spawning area at McNary Dam on the Columbia River. While this project is not supported by funds from the Columbia River fish sanctuary program being discussed here, it does demonstrate what can be done in the interest of fish preservation when funds are made available for such projects. This is one of the Nation's first man-made salmon spawning channels and statistics are proving that such artificially created spawning beds are a possible solution to the problem of passing anadromous fish past dams whose height makes fish ladders impractical. During the last spawning season, 1,182 adult salmon were confined within the artificial channel. Within the channel, screening makes possible an accurate count of all young salmon moving downstream, leaving the artificial spawning beds for the Columbia River. The result of the count for 1959 shows that 38,000 young salmon moved into the Columbia from the channel. The figure does not represent the complete results of the spawning inhabitants of the channel because downstream migration of young salmon will extend to June,

1960. These experiments are being conducted by the North Pacific Division of the U.S. Army Corps of Engineers through Washington State fish and wildlife biologists and in exhibit VI at the rear of this testimony you will find a photo showing the channel discussed.

The Dalles lock and dam.—The Bureau of the Budget recommends $1,900,000 for this project; however, this association has been reliably informed than an additional $600,000 could economically be used for this dam during fiscal year 1961, bringing the total appropriation to $2,500,000. Ten of the 14 power units are installed at The Dalles and completion of the installation on schedule is necessary in order that it may take its place in the power grid as planned. Therefore, the amount as indicated, is respectfully requested.

John Day lock and dam.—A rather unusual situation has developed in connection with the John Day lock and dam and for the first time we are suggesting a reduction in the amount recommended by the Bureau of the Budget for the project. At the time of our convention last November, we were advised that $42 million could be economically used during fiscal year 1961 to proceed with the work on this dam. The Bureau of the Budget has suggested $41,800,000 and we are suggesting that this figure be reduced to $37 million. Our reason for this action is that we have been reliably informed that the U.S. Army Corps of Engineers could proceed with this amount with no delay to bringing power on the line or in the overall completion of the project. This, we are advised, is a result of very favorable bidding on the first major construction contract at John Day, thus leaving a surplus in the fiscal year 1960 fund which can be carried over for fiscal year 1961. For this action the U.S. Army Corps of Engineers are to be congratulated for this situation is due solely to their foresight, expert planning, and culmination of contracts. John Day lock and dam is, as you know, the final link in the slack water navigation program for the Columbia River from its mouth to the confluence of the Columbia and Snake Rivers at Walla Walla, Pasco, and Kennewick, Wash.; and, therefore, is of utmost importance to the navigation picture. Its kilowatts of power are also greatly needed in the Northwest power grid and must come on the line as scheduled, in June of 1967, if increased loads are to be met. As greatly needed as this project is, we do, however, believe that the excess money suggested by the Bureau of the Budget could be used effectively and more economically for the start of some other project while at the same time cause no delay to the John Day project.

Lower Monumental lock and dam.—In connection with the discussion of John Day lock and dam, we would respectfully request this committee to give consideration to adding $200,000 to the $4,800,000 saved in construction funds for John Day and make a total of $5 million available for the start of construction of Lower Monumental lock and dam, the second in the series of four dams on the Snake River. This is one of the most important projects in our program and it is extremely essential that it be moved out of the planning stage into the construction stage to prevent further delay in our comprehensive planning. We are reliably advised that planning and advanced design are completed on this project and that construction can go ahead at once. If this project is started during fiscal year 1961, its power will be on the line in December of 1966 and slack water navigation will be provided 70 miles up the Snake River; thus, bringing our navigation program into Lewiston, Idaho, closer to realization. I would like to refer to my remarks regarding the tonnage being handled on the navigable section of the Columbia-Snake River system and to the many port districts which have been formed to promote this tonnage and provide facilities for interchange of cargo. Vast wheat crops abound in the area which would be served by the Snake River as a great artery of commerce and their movement by water to downriver ports would prove of great value to the economics of the entire area. We would, therefore, respectfully request this committee to make the $5 million referred to above available for start of construction of Lower Monumental lock and dam during fiscal year 1961.

Little Goose and Lower Granite locks and dams.—It would seem entirely proper for me to ask your consideration of these two projects at the same time—for, these are the third and fourth dams in the compresensive plan for the Snake River. It appears completely logical that planning funds be provided for the two projects at the same time so that planning could move concurrently on the two at one time. The Bureau of the Budget has provided $550,000 for the Little Goose project in their recommendations but omitted any planning funds for Lower Granite lock and dam. We heartily endorse the recommended $550,000 for Little Goose but at the same time would like to urge an appropria-

tion in the same amount for planning of Lower Granite. We do believe that it is sound thinking which dictates that, due to the proximity of their locations and the similarity of conditions affecting their design, it would be possible to save a considerable amount of funds by means of concurrent planning. The same reasons can be given for early planning of these two projects as presented for Lower Monumental lock and dam. We, most certainly, cannot achieve full value from the lower Snake River program until we have slackwater navigation to the Clarkston, Wash.-Lewiston, Idaho, area the year around. Another major reason for the urgency of this planning is that the completion of the construction of the Lewis-Clark Highway in about 1961 will require expensive relocation of bypasses or relief routes and perhaps an additional river bridge or bridges in the Lewiston-Clarkston area during the construction of Lower Granite. Planning funds for Lower Granite in fiscal year 1961 would make it possible to coordinate the diking necessary as a part of Lower Granite with bypasses, etc., referred to above in connection with the Lewis-Clark Highway. We would respectfully request the appropriation of $550,000 each for Little Goose and Lower Granite locks and dams.

MISCELLANEOUS PROJECTS

In addition to the projects heretofore discussed which are a part of the major plan, the association respectfully urges appropriations in fiscal year 1961 for a number of projects requiring lesser funds but nevertheless projects of great importance to the Pacific Northwest as follows:

COLFAX, WASH.

This is a very important flood control project on the Palouse River to provide protection to portions of Colfax, Wash., including business and industrial areas and communication routes, against damage by floods of the Palouse River and the South Fork of the Palouse River. Also, it would afford protection to important highways of the area, practically all of which pass through the flood damage area. The Bureau of the Budget has recommended $425,000 for fiscal year 1961 for this most-needed project and this is heartily endorsed by this association.

COLUMBIA RIVER LOCAL PROTECTION

Malheur, Oreg.—This, likewise, is a flood control project consisting of levee and channel work to protect the town of Vale, Oreg. This is a new project for which the Bureau of the Budget has recommended $112,000 and this appropriation, also, is endorsed by this association.

LOWER COLUMBIA RIVER BANK PROTECTION, OREGON AND WASHINGTON, AND LOWER COLUMBIA RIVER IMPROVEMENT

Multnomah Drainage District No. 1.—These two items are again flood control projects both of which are on the lower Columbia River and which would consist of construction of new levees and improvement of existing levees as well. The Bureau of the Budget likewise has recommended $400,000 for lower Columbia River bank protection and $590,000 for lower Columbia River improvement (Multnomah Drainage District No. 1). The association also endorses the appropriation of $590,000 for lower Columbia River improvement (Multnomah Drainage District No. 1) but respectfully requests an additional $200,000 or a total of $600,000 for lower Columbia River bank protection, the amount indicated that could be economically used during fiscal year 1961 to initiate construction of this project at critical locations.

ROGUE RIVER AT GOLD BEACH, OREG.

This is a navigation project already underway, providing for two jetties at the river entrance and a channel 13 feet deep and 300 feet wide from the ocean inland at Gold Beach. The association also endorses the recommendation of $2,018,000 of the Bureau of the Budget for continuation of work on this project.

WILLAMETTE RIVER BANK PROTECTION

This is a flood control project over 55 percent completed consisting of revetment of river banks, pile and timber bulkheads, drift barriers and channel im-

provements. This is of great importance to the Willamette River area and the $500,000 recommended by the Bureau of the Budget for continuation of this work is endorsed.

BLUE RIVER RESERVOIR, OREG.

This is an authorized flood control project for which planning funds are now being sought. The reservoir would provide 85,000 acre-feet of usable flood control storage and will be operated as a unit of the coordinated reservoir system planned for the Willamette Basin. One hundred and thirty-six thousand dollars has been recommended by the Bureau of the Budget for planning on this project and is likewise endorsed by this association.

COOS AND MILLICOMA RIVERS, OREG.

This is a very important navigation project sponsored by the Port of Coos Bay and various other local interests as necessary to the economy of the area. It is an authorized project for which planning funds have been sought for several years. Twenty-three thousand dollars has been recommended by the Bureau of the Budget for this project and the association urges this appropriation to take care of this much needed planning.

SAMMAMISH RIVER, WASH.

This likewise is a flood control project providing for the improvement of the channel of the Sammamish River, thus reducing the frequency of overflow and permitting drainage of some 3,600 acres of agricultural land. Fifty thousand dollars has been recommended for this project by the Bureau of the Budget as planning funds and this appropriation also is requested.

YAQUINA BAY AND HARBOR, OREG.

This is a navigation project, planning funds for which in the amount of $300,000 have been recommended by the Bureau of the Budget. It would provide for the planning of much needed extension of jetties, deepening of the bar and channel improvement. This is a very important harbor, 115 miles south of the mouth of the Columbia River and the recommended funds are likewise urgently requested.

SOUTH JETTY REPAIRS: SIUSLAW RIVER, COOS BAY, OREG., COLUMBIA RIVER AT THE MOUTH AND UMPQUA RIVER

A very serious situation is present at south jetties all along the Oregon coast which have been allowed to deteriorate to the place that serious damage is resulting to ships and cargoes. This is of tremendous importance to the ports involved as well as to shippers and it is urgent that immediate action be taken to rectify the situation by rebuilding and repair of the jetties. The Bureau of the Budget has recommended $50,000 to complete planning and initiate work on phase II of the south jetty at the mouth of the Columbia River. This, we understand, is sufficient for fiscal year 1961 and it is endorsed by this association. The Bureau of the Budget has recommended $30,000 to complete planning and initiate the construction of the Siuslaw south jetty and $50,000 also to complete planning and initiate construction of the south jetty at Coos Bay. We are reliably informed that $200,000 for each of these two projects could be economically used by the U.S. Army Corps of Engineers for this work during fiscal year 1961 and appropriations in these amounts are urgently requested. It is also our understanding that $30,000 could be used economically during fiscal year 1961 for preconstruction planning of repairs on the Umpqua River south jetty. There were no funds recommended by the Bureau of the Budget for this project; however, we would urgently request that $30,000 be made available for this much needed work.

WILLAMETTE FALLS LOCKS

Closely related to navigation potentialities and benefits of the Columbia and Snake Rivers is the Willamette River, serving the port of Portland, Oreg. The Willamette Falls locks on this waterway at Oregon City, Oreg., are obsolete and of an inadequate size to provide for present and prospective water-

borne commerce from Portland into the capital city of Salem, Oreg., and into Albany, Oreg. As they now exist, it is impossible for barge operators to use equipment in use on the Columbia River on the Willamette although there is a tremendous amount of prospective tonnage available for shipment from the Portland area into the Willamette Valley. This is one of the richest agricultural valleys in the entire Pacific Northwest and consumes great amounts of agricultural lime for fertilizer. This lime is now moved entirely by other more expensive means of transportation, thus adding greatly to the cost. In addition to the need of water transportation on the Williamette for the movement of this agricultural lime is the need for more economical water shipment of petroleum into the valley. This project has been economically justified and recommended for the past several years. While the Bureau of the Budget has recommended no funds for this work, we are reliably informed that $85,000 could be used economically during fiscal year 1961 to resume planning and would respectfully request an appropriation in this amount.

PORT OF KALAMA

The problem of levees and bank protection works on the Columbia River in the vicinity of Kalama, Wash., is of great importance to the industrial development at the port of Kalama, the development of which would benefit the whole area of Cowlitz County, Wash., by bringing in needed payrolls, markets and transportation. It is our understanding that this work involves both new levee construction and bank protection works, falling into two separate projects: No. 1, lower Columbia River, levees at new locations; and, No. 2, lower Columbia River, bank protection, which has been discussed heretofore. It is our further understanding that the construction of the bank protection works should precede or be accomplished concurrently with the new levees, thus requiring appropriation of funds under the two categories. The Bureau of the Budget has provided $400,000 for various projects under category No. 2 above which would allow for the bank protection work but, no funds for the levees which would fall under category No. 1. As stated before, it is our understanding that to properly proceed with this work, the $400,000 figure should be increased to $600,000 to insure the Kalama bank protection project and $30,000 should be appropriated under category No. 1 to initiate engineering studies for the new levees. We would, therefore, urgently request appropriation of said funds for the work at Kalama, Wash.

BINGEN HARBOR

This project involves much needed improvement to the entrance channel, the harbor area, etc., within the port of Klickitat's comprehensive scheme of harbor improvement. Planning has been completed, some funds have been made available for initial work and the project is now eligible for construction funds to complete the project which would add greatly to the industrial development of the entire area involved. It is our understanding that a sum of $178,000 could be used economically in fiscal year 1961 and this appropriation is also respectfully requested.

CHARLESTON SMALL BOAT BASIN

This is a small boat basin which is extremely important to the fishing industry in the area of Coos Bay, Oreg. While they request only a small amount of money to accomplish the work needed to accommodate the growing fishing fleet in the area, it will be of much value to the economy of the area involved. The small sum of $5,000 would permit a review study of the Charleston small boat basin in fiscal year 1961 and this amount is hereby respectfully requested.

BEN FRANKLIN PROJECT

Very important to the proper planning for navigation on the upper Columbia River is the completion of the study necessary to resolve problems in connection with the proposed Ben Franklin project. Funds in the amount of $19,500 were made available from the 1960 appropriation act to initiate the work on this study which funds, we are advised, will be used to prepare a plan of investigation and initiate economic studies. Twenty thousand five hundred dollars has been recommended in the President's Budget for fiscal year 1961 and although

this amount would support a minimum program, we are reliably informed that from an engineering standpoint, $100,000 could be economically utilized for this investigation in fiscal year 1961. We would, therefore, respectfully request the appropriation of additional funds, or a total of $100,000, for the Ben Franklin project at this time.

In conclusian, I know that I have taken considerable of your time in listing a number of projects; however, all of them are, I am certain, of sufficient importance to the economy of the Pacific Northwest and the entire Nation so as to warrant individual consideration. I do believe that a complete analysis of this program is necessary at this time and I want to sincerely thank you for your courtesy in allowing me to present this testimony for your information.

I am sure you will agree that a workable, engineering program is necessary to a businesslike construction program and that many benefits are realized by efficient planning and then adhering to the plan which is proven the most feasible. Out in our area, our projects are very expensive until power is put on the line; therefore, it is extremely necessary that our projects are kept on schedule. However, as soon as this power does come on the line, the entire expenditure with interest is repaid to the Federal Treasury.

The Inland Empire Waterways Association is most appreciative of your past consideration and sympathetic understanding of our water resource development problem in the Pacific Northwest and your support of appropriations so urgently needed to carry out this program. Your continued understanding and support of our requests for appropriations as noted herein are most sincerely solicited.

EXHIBIT 1(b)

Columbia River power system return of power capital investment

	Power capital investment	Repaid as of June 30, 1959	Percent repaid	Net power investment
Bonneville Power Administration	$485,044,469	$121,463,727	25.04	$363,580,742
Bonneville Dam project	60,455,334	27,189,288	44.97	33,266,046
Columbia Basin project	207,590,313	72,307,664	34.83	135,282,649
Hungry Horse project	87,882,566	8,896,496	10.12	78,986,070
Albeni Falls project	31,219,953	2,448,188	7.84	28,771,765
McNary Dam project	278,598,472	21,454,194	7.70	257,144,278
Detroit-Big Cliff	41,910,614	3,940,413	9.40	37,970,201
Lookout Point-Dexter	41,706,444	2,946,339	7.06	38,760,105
Chief Joseph project	154,307,853	5,638,924	3.65	148,668,929
Yakima-Kennewick and Rosa	4,440,553	430,681	9.70	4,009,872
The Dalles project	232,904,278	1,637,373	.70	231,266,905
Total	1,626,069,849	268,353,287	16.50	1,357,716,562

EXHIBIT I(A)

THE SUCCESS STORY CONTINUES

Columbia River power system status of repayment to fiscal year 1959

	Total as of June 30, 1959
Repayment to date	$268,353,287
Scheduled repayment	$203,704,841
Power capital investment	$1,626,069,849
Excess repayment	$64,648,446
Interest paid to date	$219,599,782
Operation and maintenance	$159,375,772
Percent of power capital investment repaid to date	16.50
Interest paid in fiscal year 1959	$30,186,169
Gross income in fiscal year 1959	$68,135,885
Net income in fiscal year 1959	—$6,609,820

Exhibit II

Report on commerce

[Tons]

Year	Bonneville			The Dalles-Celilo Canal			McNary		
	Upstream	Down-stream	Total	Upstream	Down-stream	Total	Upstream	Down-stream	Total
1952	774,514	749,894	1,524,408	738,018	285,194	1,023,212	404,612	85,089	489,701
1953	603,763	740,539	1,344,302	538,162	244,284	782,446	313,956	101,370	415,326
1954	775,264	602,555	1,377,819	594,122	204,098	798,220	429,130	92,296	521,426
1955	1,024,525	614,220	1,638,745	795,325	261,757	1,057,082	615,815	96,225	712,040
1956	795,910	721,122	1,517,032	706,212	449,372	1,155,584	586,277	214,920	801,197
1957	653,375	856,628	1,510,033	636,318	544,880	1,181,198	526,115	334,140	860,255
1958	629,409	1,121,119	1,750,528	602,881	755,631	1,358,512	477,741	489,987	967,728
1959	704,334	1,350,066	2,054,400	686,804	836,434	1,523,238	561,406	507,929	1,069,335
Total	5,961,094	6,756,143	12,717,237	5,297,842	3,581,650	8,879,492	3,915,052	1,921,956	5,837,008
Subtotal for the years 1957, 1958, and 1959	1,987,118	3,327,813	5,314,931	1,926,003	2,136,945	4,062,948	1,565,262	1,332,056	2,897,318
January and February 1959:									
January	62,592	126,580	189,172	61,071	84,990	146,061	51,729	63,416	115,145
February	51,158	94,006	145,164	49,546	69,182	118,728	35,173	51,258	86,431
Total	113,750	220,586	334,336	110,617	154,172	264,789	86,902	114,674	201,576
January and February 1960:									
January	62,771	101,379	164,150	59,817	75,807	135,624	51,787	60,915	112,702
February	41,685	129,327	171,012	40,501	100,414	140,915	30,685	65,505	96,190
Total	104,456	230,706	335,162	100,318	176,221	276,539	82,472	126,420	208,892

EXHIBIT IV

INDUSTRIAL FACTS—McNARY POOL PORTS

Showing Facilities and Year in Operation

PORT OF WALLA WALLA

1. Boise-Cascade Corp., 1958:
   (*a*) Container plant.
   (*b*) Kraft mill.
2. River Grain Terminals, Inc., 1958:
   (*a*) Grain storage and transfer.
3. Columbia Basin Iron and Steel, 1958:
   (*a*) Steel fabricating.
4. Craik Lumber Co., 1957:
   (*a*) Lumber mill.
5. Blue Mountain Reload, 1957:
   (*a*) Log reload.
6. Columbia Grain and Storage, 1959:
   (*a*) Grain storage and transfer.

Total plant investment	$20, 125, 000
Total tax payments (county)	120, 000

PORT OF PASCO

1. Continental Grain Co., 1940:
   (*a*) Grain storage and transfer.
2. River Terminals Co., 1940:
   (*a*) Petroleum storage and distribution.
3. Continental Oil Co., 1952:
   (*a*) Petroleum storage and distribution.
4. Utoco Oil Co., 1954:
   (*a*) Petroleum storage and distribution.
5. Big Pasco Depot,[1] 1960:
   (*a*) 454-acre depot.
   (*b*) 1,382,000 square feet warehouse space.
   (*c*) Industrial development opportunities.

Total plant investment	$575, 000
Total tax payments (county)	5, 044

PORT OF KENNEWICK

1. Allied Chemical and Dye Corp., 1953:
   (*a*) Aluminum nitrate.
   (*b*) Liquid aluminum sulfate.
   (*c*) Ammonium polysulfide.
   (*d*) Nitric acid.
2. North Pacific Grain Growers, Inc., 1953:
   (*a*) Grain storage and transfer.
3. Phillips Pacific Chemical Co., 1957:
   (*a*) Anhydrous ammonia.
   (*b*) Aqua ammonia.
4. Gas-Ice Corp., 1958:
   (*a*) Liquid carbon dioxide.
   (*b*) Dry ice.
5. Kerley Chemical Corp., 1958:
   (*a*) Liquid chemical fertilizer (Nutra Soil).
6. California Spray Chemical Corp., 1960:
   (*a*) Ammonium nitrate.
   (*b*) Ammonium nitrate solutions.
   (*c*) Nitric phosphate complex plant foods.

Total plant investment	$25, 033, 400
Total tax payments (county)	303, 600

[1] Not included in plant investment nor in taxes.

PORT OF UMATILLA

1. S. & S. Steel Co., 1959:
   (*a*) Manufacture of mobile homes.
2. Feedville, 1960:
   (*a*) Agricultural feed.

Total plant investment	$1,200,000
Total tax payments (county)	24,000

TOTAL, M'NARY POOL PORTS

Total plant investment	$46,933,400
Total tax payments (county)	452,644

Statistics on projects presented to Appropriations Subcommittee, 1960

Project	Budget recommendations	Inland Empire Waterways Association request	Final estimated cost	Type of project	Status, etc.
Ben Franklin project survey, Washington	$20,500	$100,000	$1,050,000	Survey on multiple-purpose project.	Funds needed for investigation and studies.
Bingen Harbor, Wash. (port of Klickitat)		178,000	[1] 191,000 [2] 213,000	Channel and harbor improvement.	Construction funds needed.
Blue River Reservoir, Oreg	136,000	136,000	15,800,000	Flood control	Planning funds needed.
Charleston small boat basin, Oreg		5,000	6,000	Harbor improvement	Funds needed for review study.
Chief Joseph Dam, Wash	300,000	300,000	148,000,000	Multiple purpose	16 units installed, construction funds needed.
Colfax, Wash	425,000	425,000	[1] 3,200,000 [2] 224,000	Flood control	New project; construction funds needed.
Columbia River local protection (Malheur, Oreg.)	112,000	112,000	[1] 423,000 [2] 32,200	Flood control	New project.
Columbia River south jetty at the mouth	50,000	50,000	3,320,000	Jetty repair	Funds needed to complete planning on phase II.
Coos and Millicoma Rivers, Oreg	23,000	23,000	[3] 528,000	Navigation	Planning funds needed.
Coos Bay south jetty, Oregon	50,000	200,000	2,800,000	Jetty repair	Funds needed to complete planning and initiate construction.
Cougar Reservoir, Oreg	12,300,000	13,500,000	42,900,000	Multiple purpose	Nearing completion; construction funds needed.
Green Peter Reservoir, Oreg	1,400,000	2,500,000	60,800,000	do	New start; construction funds needed.
Hills Creek Reservoir, Oreg	10,500,000	10,500,000	40,000,000	do	Nearing completion; construction funds needed.
Howard A. Hanson Reservoir, Wash	4,400,000	4,500,000	37,500,000	Flood control	Do.
Ice Harbor lock and dam, Washington	30,000,000	30,000,000	135,000,000	Multiple purpose	Under construction; construction funds needed.
John Day lock and dam, Oregon and Washington	41,800,000	37,000,000	387,000,000	do	Do.
Kalama, port of, Wash.:					
1. Lower Columbia River, levees at new locations		30,000	880,000	Levee construction	Funds needed to initiate engineering studies.
2. Lower Columbia River, bank protection	400,000	600,000		Bank protection	Funds needed to initiate engineering studies (not all funds requested to be used at Kalama; other projects also draw from this amount).
Little Goose lock and dam, Washington	550,000	550,000	139,000,000	Multiple purpose	Funds needed for planning.
Lower Columbia River bank protection, Oregon and Washington.	400,000	600,000	8,600,000	Flood control	Funds needed to initiate construction at critical locations. (See Port of Kalama.)
Lower Columbia River fish sanctuary program:					
1. Construction	1,400,000	1,400,000		Fish conservation	Continuing project; construction funds needed.
2. Operation and maintenance	1,915,000	1,915,000		do	Continuing project; funds needed for operation and maintenance.
Lower Columbia River improvement (Multnomah Drainage District No. 1).	590,000	590,000	1,740,000	Flood control	Construction funds needed.
Lower Granite lock and dam, Washington		550,000	139,690,000	Multiple purpose	Funds needed for planning.
Lower Monumental lock and dam, Washington		5,000,000	138,000,000	do	New start, ready for construction funds.
Rogue River at Gold Beach, Oreg	2,018,000	2,018,000	4,714,500	Navigation	Construction funds needed.
Sammamish River, Wash	50,000	50,000	[1] 1,050,000 [2] 475,000	Flood control	Planning funds needed.
Siuslaw south jetty, Oregon	30,000	200,000	1,100,000	Jetty repair	Funds needed to complete planning and initiate construction.
The Dalles lock and dam, Oregon and Washington	1,900,000	2,500,000	252,000,000	Multiple purpose	10 of 14 units installed, construction funds needed.
Umpqua River south jetty, Oregon		30,000	1,500,000	Jetty repair	Funds needed for preconstruction planning.
		85,000	10,900,000	Modernize locks	Funds needed to resume planning.

Siuslaw south jetty, Oregon	30,000	200,000	1,100,000	Jetty repair	Funds needed to complete planning and initiate construction.
The Dalles lock and dam, Oregon and Washington	1,900,000	2,500,000	252,000,000	Multiple purpose	10 of 14 units installed, construction funds needed.
Umpqua River south jetty, Oregon		30,000	1,500,000	Jetty repair	Funds needed for preconstruction planning.
Willamette Falls lock, Oregon		85,000	10,900,000	Modernize locks	Funds needed to resume planning.
Willamette River bank protection, Oregon	500,000	500,000	12,100,000	Flood control	Over 55 percent complete.
Yaquina Bay and Harbor, Oreg	300,000	300,000	[1] 24,500,000 [2] 33,000	Navigation	Planning funds needed.

[1] Federal. [2] Non-Federal. [3] Federal $328,000; non-Federal, no estimate.

Mr. WEST. Mr. Chairman, with your permission I will comment briefly on my prepared statement.

Mr. Chairman, you will notice in our brief we have a map of the area. There is a supplemental sheet within the brief which lists the various projects, showing the budget recommendations, the request of our association, the final estimated cost, and the type of project and the status. I shall summarize this on a few projects.

The first is the question of the John Day lock and dam. Congresswoman May told you of the saving which would be effected this year of some $4,800,000. We should like very much to recommend and endorse her statement with reference to the Lower Monumental project, which was the second dam on the Snake River. We are at the completion phase of the construction planning and preconstruction design work, and we are informed that $5 million could be appropriately used during the fiscal year 1961.

The second, if you will notice on the map, the one below Lower Monumental, are the Little Goose and Lower Granite projects. At Little Goose there is a recommendation within the administration for $550,000 for planning of that project. It is particularly important to us that we get the planning of Lower Granite at the same time. The reasons for that are very apparent. One project depends upon the other for bringing slackwater navigation into Lewiston, Idaho. We are engaged today in our national interstate highway program, and in the community of Lewiston, Idaho, and across the river at Clarkston, Wash., the highway will be coming down through the Lola Pass from western Montana into that area. If we knew how high Lower Granite was to be, what levee protection would be necessary for the community of Lewiston and also Clarkston, then we could more appropriately plan the location of that highway. It is our thinking and the engineers' thinking to date that it will be such that levees will have to be constructed for the protection of those two communities.

We would like to ask very serious consideration of the planning of sufficient funds to initiate the Lower Granite project.

I am glad that Mr. Price mentioned the fisheries program, because on the fisheries program we are going ahead very rapidly out there and are actually receiving some answers under that program. We certainly endorse that.

If I could refer you to our exhibits in the back of my statement, exhibit I(a) again shows you the repayment schedule on our projects out in the Pacific Northwest. It shows as of June 30, 1959, the repayment to date has been in excess of $268 million. The scheduled repayment was $203 million, which shows an excess payment of some $64 million. That program is going on.

The next one under I(b) will give you an indication, while projects on the repayment schedule are some 16½ percent repaid, Bonneville Dam is reaching very closely to the 50-percent period, and the Columbia Basin project is around 35 percent.

The next exhibit, exhibit II, shows the ever-increasing amount of river tonnage moving upstream and downstream. We are just now passing for the first time 2 million tons annual cargo, pretty well divided between upstream cargo and downstream cargo, which gives us a very great balance.

The next exhibit is a map showing the 36 port districts. These are public port districts created by vote of the people of the counties involved—from the mouth of the Columbia River to Wenatchee, Wash., and on the Snake River down in to Lewiston, Idaho.

When you come off the deep water, where the oceangoing vessels can come in up to Vancouver, Wash., the majority of our port districts in the interior are actually industrial organizations, because we do not have the transfer of cargo problems as you do at the deepwater ports. All but two counties contiguous to the Columbia and Snake Rivers now have port districts. One is in Washington, which in the November elections will be on the ballot, and only one in Oregon.

Passing over the statistical detail of exhibit IV, if you will kindly turn to exhibit V, I think that very vividly demonstrates what I mean by the industrial organizations. You will find two of the port districts on the McNary Pool, where some six major chemical and pulp companies have been located. This is not taking industry from any part of the United States. Rather, all of these are national concerns which are on expansion programs. But the six that are there represent an investment of approximately $50 million, and on the local tax level they contribute $423,000 annually. That means, then, a proper percentage in our State, city, and Federal taxes. The work of these port districts in the interior is to make use of the power facilities, of the navigational facilities, and of the flood control facilities.

The next exhibit, exhibit VI, shows some of the results we are securing from the fisheries research and engineering program. This is an experimental artificial spawning area created just above the McNary project. During this past year some 1,100 spring Chinook salmon spawned in this area, of which 800 came in by themselves and 300 were trapped at the dam and brought in. This spawning area, only by nature, coming in by themselves, going out by themselves, up to the first of the year had produced some 38,000 fingerlings. That entire period does not exhaust itself until June. We hope that will be a pattern which will be employed on every one of the pools as we go up the river.

Lastly, we would like very much to call your specific attention to the locks at Oregon City on the Willamette River. They are very important. That has been a long-authorized project. However, the engineering benefit-cost ratio was developed a number of years ago. We are requesting within the body of our report sufficient planning funds to update that engineering and research program so we can get a figure of the benefit-cost ratio. That is very important to the farm communities in that area, as in western Oregon we use a considerable amount of limestone on the lands. The modernization of these locks at Oregon City, Oreg., will permit then slackwater navigation extending on into the heart of the Willamette Valley and central and southern Oregon.

Mr. RABAUT. Mr. West, when you look over your testimony, will you give us a priority list as to the most desired of the projects which are listed, as some are budgeted projects and some are unbudgeted. You can prepare that and put it in the record.

Mr. WEST. Yes, I will be very happy to.

(The information requested was later supplied to the committee.)

Mr. JENSEN. Mr. West, I presume you are aware of the fact that the budget provides for $179,930,700 for the State of Washington and the State of Oregon and the Bonneville power area.

Mr. WEST. Yes, sir.

Mr. JENSEN. I do not know how much more you are asking for, but I presume it would run over $200 million. You are quite thankful, I am sure, for the $170 million already in the budget.

Mr. WEST. Yes, sir.

Mr. JENSEN. I would not want this hearing to close without hearing from someone from that area to the effect that, after all, the budget was quite liberal in recommending this huge sum of money for your States. I am sure that the people of Washington and Oregon are greatly appreciative of the action of this committee in the past. In fact, I have had many letters from them saying that they were. But, you know, so seldom when you folks appear before the committee do you say, "We appreciate the money that is in the budget, but we would like to have more."

So I thought I should just hear you, Mr. West, or somebody from that area, say that you do appreciate the money which is in the budget. Would you like to elaborate on that a little and tell us just how much you appreciate it?

Mr. WEST. Yes, Mr. Jensen. I think we have demonstrated that over the years, sir. In all of our testimony, by words we have expressed our appreciation, and also by the actions of the drainage States of the Columbia-Snake River. We have appreciated it in a very material way where we are making use of all of those facilities, making further contributions to your national economy.

Also, we are very proud of the record of the Bonneville Power Administration and the repayment schedule that is taking place there.

I would say that our total requests as we would check them out in here probably would amount to not to exceed $10 million, maybe $12 million, over what the budget has recommended. I do not think we have ever appeared before this committee, Mr. Jensen, and made a request for additions to the budget which have not been integral parts of the program, and when the committee has given us additional funds over and above the budget requirements, they have been used wisely and profitably to the Pacific Northwest and to the Nation.

Mr. JENSEN. I do not question that. Of course, it is not our money, you know, that we are spending, but it is a lot of money that the American taxpayer has to put up. Much of it is returned to the Treasury. We recognize that. But it takes a long while to get it back, and we do not get all of it back.

I might tell you when I was chairman of the committee in 1948, when the reclamation appropriation was heard by that committee and before that "old tightwad" Jensen, the largest appropriation ever was made for the Columbia River Basin. Did you know that?

Mr. WEST. Yes, sir.

Mr. JENSEN. Yet, I have been accused of being a stooge of all private enterprise, and of course I am, but not to the degree that I have been accused of. I am a stooge for private enterprise from the peanut vendor on the corner to the largest corporation in America, including agriculture. That is the greatest private enterprise, in my opinion, and I come from the farm.

So I make no apologies to anyone when I say I like to hear the people thank the American taxpayer for what is in the budget, at least to the degree that money is in the budget here to the tune of $170 million-plus for your area, and that ain't hay.

Mr. MAGNUSON. Mr. Chairman.

Mr. JENSEN. I might say that Don Magnuson has represented his district well and, in my opinion, has never asked for any more than was completely justified for the people of his district. Don Magnuson has done a good job for the people of his district. We respect him on this committee. We respect him for the fine man he is and for the fine representation he gives the people of the district that he has the honor to represent.

Mr. MAGNUSON. I thank the gentleman.

Mr. WEST. May I make it as a matter of public record that we are deeply appreciative of him, Mr. Chairman.

Mr. RABAUT. Don.

Mr. MAGNUSON. I am sure Mr. Jensen knows that we are grateful, whether we always say so or not.

I should like to address myself to the point of the large proportion of this budget which goes to the States of Washington and Oregon which, as we all know, is primarily because we have so many fine damsites out there and such a splendid system of rivers which lends itself to hydroelectric development. I hope we do not try to get more than is justified.

Mr. Jensen himself pointed out that a great deal of this money comes back to the Treasury, although it does take a while. It is all part of the development of the country as a whole.

Mr. WEST. Mr. Chairman, I should like to conclude with one thought with Mr. Jensen and Mr. Magnuson on exhibit V, which I think is the answer, Mr. Jensen.

These are all national concerns which have expanded in that growing area in the Pacific Northwest. They could not have expanded and could not have come out there if this development program had not been in effect. We are deeply appreciative of all that.

Mr. JENSEN. I recognize that very well. That is why I have been a party to appropriating huge sums for your area.

APRIL 11, 1960.

WASHINGTON PROJECTS

WITNESS

HON. WALT HORAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. RABAUT. Now we will hear from our colleague, Congressman Horan.

Mr. HORAN. Mr. Chairman, I just want to submit a statement because the things I am testifying here for, Mr. Chairman, are all in the budget. They are not big items, particularly. The one that the committee allowed last year, the Greater Wenatchee, has $2 million in there. I hope that is allowed. The other items I think will be

touched on by Mr. John Richardson, who is to testify shortly. He will go into detail on them.

Mr. RABAUT. Without objection, your statement will be included in the record at this point.

(The statement follows:)

STATEMENT OF HON. WALT HORAN, OF WASHINGTON

Mr. Chairman and members of the subcommittee, I wish to thank you and your colleagues on this subcommittee for affording me the opportunity to appear before you today on behalf of this important appropriation bill.

BUREAU OF RECLAMATION

I believe the total amount requested by the Bureau should be allowed. The numerous projects planned, under construction, and those in operation have contributed greatly to the general welfare of the Nation, and they should be allowed to be developed to the maximum. There are a few items which I wish to call to your particular attention and I urge that they be allowed to remain in the budget.

Included in the Bureau's construction program is a $2 million item to allow continuation of construction of the east unit of the Greater Wenatchee irrigation project. Last year the committee allowed $414,375 for the preliminary construction to begin. I am confident that you will agree that the construction of this important project must be continued. Also included in the budget request of the Bureau is $254,000 to allow the completion of advanced planning studies on the Spokane Valley irrigation project and the Washoe project in California and Nevada. This money is definitely needed so that the construction of the much needed Spokane project can begin at the earliest possible time. A request of $6,100,000 has been made for the continued construction of the Columbia Basin project, and this, too, is of great importance. The Bureau also has a complete general investigations program, and $4,753,987 has been requested for this purpose. Portions of these funds will be utilized to complete the reconnaissance studies of the Methow division of the Chief Joseph Dam project and the Pend Oreille River Basin in the Fifth Congressional District which I have the honor to represent. The funds will also be utilized to complete the feasibility studies for the Chelan division and the Whitestone Coulee unit of the Chief Joseph project.

BONNEVILLE POWER ADMINISTRATION

Of course, the budget for the Bonneville Power Administration should be allowed in its entirety. Among the items included in the total amount requested which I wish to draw to your attention is an item for $921,000 for the continued construction of the Rocky Reach-Maple Valley No. 1 transmission lines. These lines will carry power from the new Rocky Reach Dam to the Puget Sound area. Also, $206,000 has been requested to allow the construction of 8 miles of 115-kilovolt transmission line which will carry power to Douglas County in my district. This power is scheduled to begin in July 1962. A sum of $78,000 has been requested to allow the completion of 18 miles of 115-kilovolt line which will supply the Okanogan County Public Utility District. Power is scheduled to begin in September of this year. The operation and maintenance funds of the Bonneville Power Administration are most certainly necessary to allow customers to continue to receive fine service.

DEPARTMENT OF THE ARMY, CORPS OF ENGINEERS

The Corps of Engineers has also played a key role in developing the numerous hydroelectric projects in my congressional district. I want to take this opportunity to commend the Chief of the Corps, General Emerson C. Itschner, and his staff for the service they have performed for the people of America. I believe their total budget is sound and necessary.

Thank you for allowing me to testify before you today.

Mr. RABAUT. Mr. Jensen?

Mr. JENSEN. Mr. Horan is a member of the Appropriations Committee. We sit with him every day. He is a very important member

of the Agriculture Committee of the House, and as such, of course, I have a lot of dealings with Congressman Horan. We respect his judgment. I am glad you appeared, Mr. Horan.

MONDAY, APRIL 11, 1960.

COLUMBIA BASIN PROJECT

WITNESSES

JOHN A. RICHARDSON, SECRETARY, COLUMBIA BASIN COMMISSION
WILLIAM McANLIS, SECRETARY-MANAGER, EAST COLUMBIA BASIN IRRIGATION DISTRICT, OTHELLO, WASH.

Mr. RABAUT. Mr. John A. Richardson.

Mr. RICHARDSON. Thank you, sir.

Mr. RABAUT. We will place your statement in the record at this point.

(The statement follows:)

STATEMENT OF JOHN RICHARDSON, SECRETARY, COLUMBIA BASIN COMMISSION, AND SUPERVISOR OF RECLAMATION, DEPARTMENT OF CONSERVATION, STATE OF WASHINGTON

Mr. Chairman, my name is John Richardson. I am secretary of the Columbia Basin Commission and supervisor of the division of reclamation, Department of Conservation of the State of Washington. I am accompanied by Mr. William McAnlis, secretary-manager of the East Columbia Basis Irrigation District, Othello, Wash.

In appearing before the committee at this time a year ago, I reported that the three Columbia Basin project irrigation districts had agreed to put an amendatory repayment contract to a vote by the water users. That new contract called for repayment at the rate of $125 per acre, on the average, compared with existing contract of $85 per acre.

The East Columbia Basin Irrigation District voted on June 28, 1959. The $125 contract was rejected by a vote of 897 to 327. Elections in the other two irrigation districts were canceled, as the contract was dependent on passage in all three to become effective.

Since that time, the Commissioner of Reclamation, Mr. Dominy, has visited the project. In a series of four meetings with the water users, he urged that they accept a contract of $133.50 per acre, on the average, with the repayment period extended to 50 years, compared with 40 years in the existing contract.

Meanwhile, the Commissioner has notified the districts that operation and maintenance charges, now averaging $6 per acre annually, must be increased by an additional $1.65 per acre for the purpose of financing drainage construction in calendar year 1960. The Commissioner has notified the boards of directors that water cannot be delivered after May 1, 1960, unless water payments are made or unless legislation is enacted which alters this requirement.

To this end, Senate Joint Resolution 162 was introduced by Senators Warren G. Magnuson and Henry M. Jackson. A similar measure, House Joint Resolution 625, has been introduced by Congresswoman May.

Senate Joint Resolution 162 was unanimously approved by the Senate Committee on Interior and Insular Affairs on April 1. It provides for a 2-year moratorium in additional drainage construction charges, permitting the Secretary of the Interior to go ahead with such work while an amendatory contract is being worked out.

In addition, Senate Joint Resolution 162, establishes a board of review, which is directed to conduct hearings on the project and fully investigate the repayment contract controversy. The board of review is to report its findings to the Congress by February 1, 1961.

This board is to investigate all phases of the project, including repayment problems, the utilization of power revenues from Grand Coulee Dam and the economic situation of the water users.

As you know, one of the factors involved is the matter of constructing drainage facilities to serve the planned 1,055,000-acre project. In the existing contract, signed in 1945, provision was made for building drainage works as part of project construction costs in an amount of $8,176,000. This was included as part of the $281 million construction ceiling in the 1945 contract.

Now, the Bureau estimates project drainage works will cost $44,500,000. The $133.50 per acre contract offered by Commissioner Dominy would capitalize these costs as part of project construction. All costs above this figure would be covered by power revenues from Grand Coulee Dam.

The water users agree to capitalization of drainage construction costs. They strongly disagree that their costs should be raised from $85 to $133.50 per acre, or any other figure above that they are paying now.

Their existing contract provides for a reduction of the water users' repayment to $70 per acre, if circumstances warrant. It provides that power revenues would pay increased project costs, if necessary by extending the payout schedule on power features. Such extensions already have been made by the Bureau of Reclamation, moving the project power feature payout from the year 2017 to the year 2038.

Power revenues to pay costs above $85 per acre are available. The project has been justified before the committees of the Congress each year on this basis. The benefit-to-cost ratio of the project remains at better than 4 to 1.

Essentially, the farmers feel that the solution to the impasse is removal of the $281 million and $8,176,000 ceilings in the existing contract, with power revenues from Grand Coulee Dam bearing additional irrigation and drainage construction costs.

Since water was available to the first large number of farms in 1953, the farmers production costs have steadily increased, while their crop returns have drastically declined. Under these conditions of a cost-price squeeze, Columbia Basin project farmers have been attempting to bring raw land into production. Many are underfinanced. The U.S. Farmers Home Administration, by law directed to assist only those farmers unable to obtain credit through normal commercial channels, is financing 50 percent of the project farmers under various programs administered by that agency.

Production of sugar beets, the stabilizing factor in the economy of most western reclamation projects, is largely foreclosed to the Columbia Basin. The project got started too late to gain a historic quota of sugar-beet acreage. Sugar beets were produced on 12,000 acres last year. A minimum of 80,000 acres is adaptable to this crop on the project. Those fortunate few farmers on the Columbia Basin who have sugar-beet allotments are the ones in the most favorable economic position at this time. We have recommended that the annual increase in domestic sugar consumption be assigned the reclamation project areas and not be divided with Cuba, as is the case in the present U.S. Sugar Act.

An amendatory repayment contract is not the major factor in making a success of the Columbia Basin project. Adequate financing of a long-term nature, provision for processing and marketing facilities, sugar-beet acreage and development of a livestock industry, none of which are now available, all are part of the project picture. Under the program intensively studied in the early 1940's, agencies of the Federal Government were to assist in these matters. Very little of this plan has materialized.

No reclamation project was studied more completely prior to development than the Columbia Basin. These studies, known as the Columbia Basin joint investigations, were published by the Bureau of Reclamation in 1941. Twenty-eight problems, covering every facet of project development, settlement, and operation, were studied by more than 450 individuals representing Federal, State and local agencies and private interests.

Except for the U.S. Farmers Home Administration, which is doing a good job under restrictions of a program based on national conditions and not those specifically encountered by new farmers on reclamation projects, Federal farm credit agencies have operated only to a minor degree on the project. Cooperative marketing and processing agencies, planned to be developed with the assistance of the U.S. Department of Agriculture, have not materialized.

The President's budget for fiscal year 1961 proposes $6,100,000 for construction on the Columbia Basin. This is the lowest construction budget in the history of the project. Water will be made available for less than 8,000 new acres on the project.

The operation and maintenance budget is $6,600,000. Of this amount, $2,812,000 is for the irrigation portion of the project and $1 million is for drainage construction. The position of the State and the project irrigation districts before this committee a year ago was that drainage funds should be considered part of the project construction budget, rather than as an operation and maintenance item. We wish to restate this view.

The review board suggested in Senate Joint Resolution 162 would consider this matter in recommending an equitable allocation of repayment obligations. The Bureau of Reclamation agrees that any new repayment contract should capitalize drainage costs as a major item of project construction.

An item of $450,000 is included in the construction budget for investigations in the future East High Canal irrigation area. The district most affected, the East Columbia Basin Irrigation District, fully supports continuation of this work. The other two districts and the State concur.

We recognize the inevitable lag between completion of these investigations and the beginning of construction and strongly urge that they proceed as scheduled. Full information on the lands to be served by the East High and the East Low Canal extension is needed as soon as possible so that plans for the second Bacon siphon and tunnel on the main canal may be formulated. A portion of the capacity of the Bacon siphon will be needed to adequately serve lands within the existing portion of the project.

We wish to indicate our support for other items in the President's budget for Washington reclamation areas. These include the Roza project, $65,000 for construction: the Tieton Division, $224,000 for rehabilitation and betterment; the Yakima project, $226,000 for operation and maintenance: the Spokane Valley project, $100,000 for advance planning, and various general investigations on new projects, $285,000.

A year ago the committee added funds to the budget to start construction on the Greater Wenatchee project. This was one of the new starts to which the President objected. We especially wish to express to the committee the appreciation of the people of the area and the State of Washington for this action.

The fiscal year 1961 budget request for Greater Wenatchee is $2 million and we wish to support this request.

In the Corps of Engineers program for projects in Washington State, the question of new starts again arises. The President has not included funds for Lower Monumental lock and dam on the Snake River. In the past the committee and the Congress provided funds to start two other great projects on the Snake and lower Columbia, Ice Harbor, and John Day Dams, although they were not in the administration's program.

We urge that $5 million be provided in the fiscal year 1961 program for Lower Monumental. It is our understanding that favorable contract bids have resulted in savings of $4,800,000 on the John Day project and wish to note that $5 million could be allocated to Lower Monumental with no substantial change in the funds needed for the Corps of Engineers work in the region.

As has been brought to the committee's attention by departmental witnesses, western Washington suffered severe floods in November and December 1959, with losses estimated at $10,500,000. Damages estimated at $4,500,000 occurred in the Green and Duwamish Valleys, which will be protected on completion of the Howard A. Hanson Dam. We wish to support the budget request of $4,500,000 for this project, so that the work may be completed and future floods in this area averted.

Since the floods of last winter, a resolution has been approved by the Senate Committee on Public Works authorizing an expenditure of $50,000 by the Corps of Engineers to review previous flood control studies on the Snohomish, Skagit, and Nooksack Rivers in western Washington.

The request for these review studies was made by Gov. Albert D. Rosellini It is our hope that the committee will provide needed funds for these studies. They should reveal that a number of projects previously deemed unfavorable, may now be found to have increased benefit-to-cost ratios, in the light of the experience of the floods of last winter.

Thank you very much.

Mr. RICHARDSON. My name is John Richardson, secretary, Columbia Basin Commission, and supervisor of reclamation, Department of Conservation in the State of Washington.

I am accompanied by Mr. William McAnlis, secretary-manager of the East Columbia Basin Irrigation District, Othello, Wash.

A year ago I appeared before the committee to report the farmers of the Columbia Basin would vote on a new repayment contract raising the level of their repayment from $85 an acre to $125. An election was held in Mr. McAnlis' district on June 28, 1959, and the $125 contract was rejected by a very decisive margin, 897 to 327. Since that time the Commissioner of Reclamation, Mr. Dominy, has visited the project. A series of meetings was held with the water users. He urged that they accept the contract of $133.50 per acre, with a repayment at 50 years instead of the existing 40. Meanwhile, the district has been notified that they must pay an increased drainage charge as part of their operation and maintenance assessment of $1.65 an acre this year. This is on top of the $6.00 they already pay. This must be paid by May 1, 1960, unless other arrangements are made through legislation enacted by the Congress. To this end a resolution has been introduced in the Senate, Senate Joint Resolution 162 by Senators Magnuson and Jackson, and a similar measure by Congresswoman May, House Joint Resolution 625. The Senate resolution has been passed by the Senate Committee on Interior and Insular Affairs.

The purpose of this is to obtain time to work out this very serious problem of trying to reconcile the views of the farmers and the Bureau of Reclamation on what their level of repayment should be.

As you may recall, the existing contract contains a ceiling of $8,176,000 for drainage works to be constructed to serve the million-acre project. The present estimates place these drainage costs at $44,500,000.

The water users and the Bureau of Reclamation are agreed that drainage construction should be capitalized as part of the project construction costs.

Since water was available to the first large number of farms in 1953, I know you are all familiar, and especially folks like Mr. Jensen from the agricultural areas, of the tremendous increase in farm production costs and the crop returns drastically declining. This is the condition under which the settlers, many of them GI's——

Mr. JENSEN. Most of them GI's?

Mr. RICHARDSON. Yes—have been attempting to bring these farms out of raw land into production. They are without the benefit of sugar beet production which forms the background of most reclamation projects since the Columbia Basin came in lately and there is no historic basis on which to base sugar beet allocations.

In addition, a new amendatory repayment contract is not a major factor, really, in making a success of this project. Other needs, adequate financing of a long-term nature, provision for marketing and processing facilities, are all part of the project picture. This project, as you know, was studied intensively before its settlement. In 1941 a study known as the Columbia Basin joint investigation covered 28 problems that were expected to be encountered; more than 450 individuals representing State, local, and private interests participated in these studies. Except for the U.S. Farmers Home Administration, with its lending programs, which has been a good one under the limitation of a national program not one directed to reclamation areas,

many of the farm credit plans that these joint studies had contemplated have not materialized.

On the specific budget request this year, the budget proposes $6,100,000 for construction on the Columbia Basin. This is the lowest construction budget in the history of the project.

Water will be made available for less than 8,000 new acres under this program. This is one of the smallest amounts ever brought in in a fiscal year. The operation and maintenance budget is $6,600,000; for the first time the operation and maintenance budget is greater than the construction budget.

Of this amount, $2,812,000 is for the irrigation operation of the project and $1 million is for drainage construction. Some of it is beyond the ceiling in the present contact, for which we are seeking a moratorium of time to develop answers.

The position of the State and the project irrigation districts before this committee a year ago, you may recall, was that drainage funds should be considered part of project construction rather than as an item in the operation and maintenance budget.

The joint resolution before the Senate suggests that a review board be formed to serve as a third party to which the farmers and the Bureau of Reclamation may develop testimony on the conflicting views on repayment.

Mr. RABAUT. Last year was there some talk that there would be a greater payment to this reclamation?

Mr. RICHARDSON. Yes, sir. This was put to a vote and was rejected three to one.

Mr. RABAUT. It was rejected, so where is the cooperation?

Mr. RICHARDSON. The proposition has reached a very decided emotional battle between the farmers and the Bureau.

Mr. RABAUT. With the economy of the country as it is you are in here for how many additional acres?

Mr. RICHARDSON. Eight thousand more.

Mr. RABAUT. Just think of it, 8,000 more acres and they won't go along and raise the ante in view of the situation that exists.

Mr. MAGNUSON. Mr. Chairman, what has hit these people, of course, is a terriffic increase in drainage costs. When the project started it was estimated around $8,500,000. Now they discover they will have to pay for $44 million. It is very doubtful that they can stand it; there is also an increase in payment from $85 to $125. That is almost a 50 percent increase.

Mr. RABAUT. What part do they want to stand?

Mr. MAGNUSON. I could not tell you that. They do not feel they can afford $125.

Now that has gone up to $133.50.

Mr. RICHARDSON. I have just touched lightly on some of the items mentioned by Congressman Westland, about the flood damages we have had. The damages were more than $10 million. The project in Mr. Magnuson's district, Hanson Dam, if it had been completed last year would have controlled much of the damage in that particular area.

The floods of last winter were exceedingly severe. I would like to add to Mr. Westland's testimony in support of funds for the Corps

of Engineers to make review studies on the various western Washington rivers which were affected.

Thank you very much, sir.

Mr. McAnlis and I would be glad to answer any questions.

Mr. JENSEN. Mr. Chairman.

Mr. RABAUT. Mr. Jensen.

Mr. JENSEN. I think the condition that exists in the Columbia River Basin among the homesteaders there who are to a very great degree veterans of World War II is due to the fact that since the homesteaders have arrived there, the cost of everything they buy has gone up tremendously. It was necessary for them to build homes and farm buildings, to buy machinery and household goods and most of them went into debt head over heels to do that.

As time went on, everything those boys bought has gone up 10 percent, 25 percent, 50 percent, and even, on some commodities, 100 percent. They are in a bad squeeze because of the fact that everything they buy has gone up and most everything they sell has gone down.

I have been in that area. I have traveled over it by automobile, I flew over the area a couple of years ago. I talked to a number of those people. They are in a bad squeeze. I can understand how they just cannot stand additional cost. We are either going to let them soar along as best they can or a big percentage of them are going to throw up their hands and move off of those farms that they have struggled so hard to build up. Their wives and children want to make it their home.

They are struggling to stay on the farm. It is a tough proposition, Mr. Chairman. I can understand their problems. Anyone can that has made an investigation of it and has been on the ground like I have.

Mr. RICHARDSON. Thank you, sir. We know you have. We did have with us a number of notices of auction sales that have taken place within the last 2 or 3 weeks.

Mr. JENSEN. I felt dutybound to make that observation.

Mr. RABAUT. Thank you very much.

Mr. MCANLIS. I would like to make one observation, if I may, Mr. Chairman, and that would be this: That the water users of the Columbia Basin project, particularly those that I represent in the east district, are anxious to subtract an item which this year is in excess of $2,600,000 from your appropriations. This may be somewhat unusual, but we would like to do this. We can do this simply by directly assuming, as we wish to do, the operation and maintenance of our irrigation system. This would mean that you gentlemen wou'd not have to appropriate funds annually for this purpose. You know as well as I what this could mean. We are anxious to do this. I say it for one reason: Because of the way that our State assessments come in on irrigation district levies, we must have, in order to get started in this, about one-third of a year's money in reserve. We have been looking forward to this time when we could take over operation and maintenance and have accumulated these reserves. The situation that we find ourselves in now with respect to this $1.65 drainage charge to be paid this year on operation and maintenance will almost completely wipe out the reserves that we tried to accumulate for this purpose. We are informed that next year this same amount will be in excess of $2.40, probably closer to $2.60. These drainage costs will

come on top of increases in operation and maintenance. These operation and maintenance increases probably will be between 5 and 10 percent according to the Bureau of Reclamation.

All of these things indicate to us that we need to have some common meeting ground where the farmer and the Bureau can both go in line with the resolution that is before the other House now and which we hope will be before you before very long. Thank you.

Mr. RABAUT. All right. Thank you very much.

APRIL 11, 1960.

MONTANA PROJECTS, INCLUDING EAST BENCH UNIT AND YELLOWTAIL DAM

WITNESSES

HON. LEE METCALF, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MONTANA
WILLIAM W. HAWKINS, DILLON, MONT.
STATE SENATOR CHARLES MAHONEY, GARFIELD COUNTY, MONT., VICE PRESIDENT, UPPER MISSOURI GENERATION AND TRANSMISSION COOPERATIVE
HENRY RUEGAMER, HARDIN, MONT.
J. CARTER JOHNSON, BILLINGS, MONT.
WILLARD E. FRASER, BILLINGS, MONT.
MELVIN SEITZ, BILLINGS, MONT.
HOWARD BUNSTON, HARDIN, MONT.
ALBERT WHITE, BILLINGS, MONT.

Mr. RABAUT. Congressman Metcalf, we are pleased to have you before the committee.

Mr. METCALF. I am pleased to be here.

Mr. RABAUT. You wish to address yourself to Montana projects?

Mr. METCALF. Yes, sir.

Mr. Chairman, I appreciate another opportunity to speak for Montana on behalf of the investments in our future provided for in the public works appropriation bill. Senator Murray and Senator Mansfield have gone over my statement and have asked me to associate them with my remarks.

I have a statement from Mr. E. W. Rising, Washington representative of the Montana State Water Conservation Board, in support of the appropriation of the full budget recommendations for all Montana projects.

As you know, Mr. Rising, who has represented the board so well for at least 20 years, is hospitalized—or he would be with us again today.

I ask leave to put Mr. Rising's statement in the record.

Mr. RABAUT. Without objection it will be included in the record.

(This statement follows:)

STATEMENT OF E. W. RISING

My name is E. W. Rising, and I am the representative of the State Water Conservation Board of Montana. This board is charged with the responsibility

of coordinating the construction of the activities of private individuals and the State and Federal agencies in connection with water resource development.

The board urges that your committee recommend the appropriation of the full amount of all public works items for Montana in the budget for the fiscal year 1961. We are particularly concerned with the following:

For construction for powerplant at Fort Peck	$4,500,000
For the Helena Valley unit for completion of presently planned lateral lining and the continuation of canal lining and drain construction, this amount is expected to practically complete the unit, where deliveries of water can be made to all the lands to be served	565,000
For the East Bench unit, Montana. These funds will be used for construction in connection with the relocation of U.S. Highway 91 which will parallel the Union Pacific Railroad relocation. These relocations must preceed construction of the main unit facilities and the full amount of the budget estimate is needed for fiscal year 1961	2,800,000
For the Yellowtail unit. These funds will be used in awarding contracts to start construction of the Yellowtail Dam. This dam will be a concrete construction approximating 520 feet high and will create a reservoir with a storage of approximately 1,375,000 acre-feet. About $8 million has already been spent on the Yellowtail unit in engineering and preparation of construction plans, right-of-way, and power lines. This unit is urgently needed for water storage and power in southeastern Montana	2,500,000

We thank you for considering our requests, Mr. Chairman.

Mr. METCALF. With me I have Mr. William W. Hawkins, of Dillon, Mont., and State Senator Charles Mahoney, of Garfield County. Mr. Hawkins retired 4 years ago as president of the First National Bank of Dillon. A rancher, he is secretary-treasurer of the Southwestern Montana Livestock Association, and until a year ago also was secretary-treasurer of the local association established to support the East Bench unit. Senator Mahoney, vice president of the Upper Missouri Generation and Transmission Cooperative, will support East Bench and the Yellowtail unit.

My colleague from the eastern district is here with a delegation which he will introduce headed by Mr. Henry Ruegamer, of Hardin, and including Mr. J. Carter Johnson, Willard E. Fraser, Melvin Seitz and Albert White, all of Billings, and Howard Bunston of Hardin.

In summary, Mr. Chairman, we support the budget items to continue work on the East Bench unit and to start construction of Yellowtail Dam; to essentially complete the Helena Valley unit, continue work on the second powerplant at Fort Peck and complete the Fork Peck-Dawson County transmission line. In addition, we seek an increase in the Missouri River Basin investigations item for a report on the West Bench unit; and money to start detailed planning and design work on authorized Libby Dam, and additional funds for promising research on reduction of evaporation losses from reservoirs and stock-water ponds.

In the few moments I have, I would like to emphasize several points.

The argument that we save money when we delay investment of public funds in public works is demonstrably false. For example, the cost of Yellowtail Dam has risen more than 20 percent—to $109 million today from $89 million in 1955, the year of approval of a construction appropriation which was later canceled. Had we gone ahead with Yellowtail 5 years ago, we would be realizing its benefits

now—and we would have saved enough to pay for the $20 million East Bench unit.

Both East Bench and Yellowtail are multipurpose units, with substantial flood control, recreation, municipal water and fish and wildlife benefits. The irrigation they provide is essentially the stabilization of water supply to lands presently being farmed, but for which the water supply is intermittent and thus inadequate. Rather than adding to crops in excess of effective consumer demand, these developments will shift land from the production of surplus crops.

According to Bureau of Reclamation estimates, preference customers in the upper Missouri River Basin States face a shortage of 150,000–200,000 kilowatts of power by the winter of 1963–64. Depending on construction appropriations, Yellowtail will put 200,000 kilowatts on the line in 3 to 5 years into a Missouri Basin system which should be integrated by then, thus creating new jobs, new wealth and broadening the tax base in Montana and other Missouri Basin States.

Limited research to date indicates that at least one chemical agent, hexadecanol, can reduce by at least one-fourth the evaporation which takes more water from reservoirs, lakes and ponds in the 11 Western States than is used by all the municipalities in this Nation. This research, with such tremendous potential, should be stepped up.

EVAPORATION CONTROL

When I appeared before this subcommittee last year, I stressed the need for more research into chemical reduction of evaporation losses, particularly urgent in areas where we need every drop of water.

I mentioned preliminary research on the chemical agent, hexadecanol, which, in small-scale tests, has cut evaporation loss by at least one-fourth and is in general use in Australia, among other countries.

It has been estimated that evaporation takes 11½ million acre-feet of water a year from reservoirs, lakes and ponds in the 11 Western States—or more than is used by all the municipalities in the United States. Evaporation in the State of Montana averages 1.6 million acre-feet a year, almost the total capacity of Canyon Ferry Reservoir, almost half the total capacity of Hungry Horse Reservoir. Experts tell me that the amount of water which evaporates each year from a stockwater pond in eastern Montana exceeds the amount necessary to sustain 500 head of cattle.

Hexadecanol spreads in a thin film over the surface of a pond, opening to permit passage of rain, then closing again to retard evaporation. The Bureau of Reclamation has done initial research on this agent, but much remains to be studied—including the effect of wind and waves on the film, and its effect on fish and wildlife.

Included in the Bureau of Reclamation budget is some $100,000 for research into reducing evaporation. These funds are mainly in the engineering and economic investigations item under "General investigations."

I am proud that Montana State College is cooperating with the Bureau on evaporation control tests, as also are State colleges in Arizona, Colorado, and Texas.

I hope the committee will encourage this program, which has such tremendous potential.

EAST BENCH UNIT

We support the budget request of $2.8 million to continue work on the East Bench unit of the Missouri River Basin project. The $500,000 programed this year was the initial investment in this significant development of both natural and human resources in a broad area of southwestern Montana.

Principal feature of the unit is Clark Canyon Dam, a 138-foot high earth and rock dam with a reservoir capacity of some 261,000 acre-feet. It will provide full irrigation for 21,800 acres and supplemental water for 28,000 acres which at present have an inadequate supply. In addition, there will be important flood control, municipal water, recreation, and fish and wildlife benefits.

This $20 million project will stabilize the economy of a large area in southwestern Montana, which as of the most recent report by the Department of Labor had an unemployment rate of 12.7 percent, second high in the Nation and more than double the national average. Only Alaska, with a rate of 16.4 percent as of March 19, 1960, ranked above Montana in joblessness as a percentage of those in covered employment. Neighboring North Dakota ranked third, with a percentage of 12.2. Although no other State had a percentage above 10, there also was substantial unemployment in the neighboring States of Idaho, 7.7, and Wyoming, 5.9.

With the $2.8 million requested for fiscal 1961, the Bureau of Reclamation will start relocating the Union Pacific Railroad outside the reservoir area. This work will be coordinated with location by the State of Montana of U.S. Highway 91 to parallel the railroad. From previous testimony, you will recall that the State highway commission has delayed this Interstate Highway project, originally scheduled through the reservoir area, for 3 years to give the Bureau a chance to go ahead.

Other work planned for fiscal 1961 includes completion of design data for Clark Canyon Dam and for relocation of a county road around the reservoir area, reservoir right-of-way acquisition and continuation of surveys and studies preliminary to design work for irrigation system features.

WEST BENCH

We support budget items including those for investigations in the Missouri River Basin project (completion of general planning studies on the Yellowstone division and continuation of detailed investigations on the Jefferson unit) and in the Columbia River Basin (completion of a feasibility report on the McNamara dam and powerplant of the Blackfoot River project).

The former should be increased by $100,000 to complete an investigation and prepare a report on the West Bench unit, Missouri River Basin project.

The unit consists of 6,714 irrigable acres on the west side of the Beaverhead River Valley near Dillon, Mont., and directly opposite the East Bench unit. At present, the area is irrigated by diversion from Birch Creek, a tributary of the Big Hole River lying to the north of the area. Only a small headwater storage is available for

stream regulation, and presently irrigated lands are subject to frequent and severe water shortages.

Principal feature of the unit would be Apex Dam on Birch Creek. A rock and earth fill structure, 153 feet high and 460 feet long, it would back up a reservoir of 7,610 acre-feet, providing important fish and wildlife benefits in addition to irrigation.

On the basis of October 1957 prices, the construction cost of West Bench is estimated at $2,229,000. Benefits are calculated to exceed costs in the ratio of 1.9.

The Bureau of Reclamation, which reports on the basis of preliminary studies that the unit "showed sufficient promise of feasibility and economic justification to warrant more detailed study and future construction if the findings are affirmed," estimates that the necessary studies will take about $100,000 and 2 years to complete the report on the unit.

HELENA VALLEY UNIT

The budget item of $565,000 will essentially complete the Helena Valley unit, which includes an earthen dam to regulate water pumped from the Bureau's Canyon Ferry Reservoir. The unit will supply municipal water to the city of Helena, provide full irrigation to 12,553 acres and supplemental water to 5,098 acres.

This year's request, which should be approved, provides for completion of presently planned lateral lining and the continuation of canal lining and drain construction. Water deliveries will be continued on an interim basis to the city of Helena and to lands in the Helena Valley Irrigation District. Water delivery to the entire acreage is scheduled by the end of fiscal 1961.

LIBBY DAM

Already a matter of record before this subcommittee is the need for, justification and feasibility of, and local support for Libby Dam, the most important authorized project pending in the Columbia River system.

This $268 million multipurpose project would span the Kootenai River. Its 4,250,000 acre-feet of storage would afford almost complete control of floods along the Kootenai, especially in the Kootenai Flats between Bonners Ferry, Idaho, and Kootenay Lake in British Columbia. It would substantially reduce flood stages along the lower Columbia. Its powerplant would have an initial installed capacity of 600,000 kilowatts, which ultimately would be increased to 800,000. Libby storage also would provide for an additional 540,000 kilowatts of additional power downstream. In addition, the project would provide substantial recreation and fish and wildlife benefits.

As you know, United States and Canadian negotiators are working toward agreement on Columbia River system development. Libby is an integral part of that development. According to the Corps of Engineers, completion of planning and design work by the time the negotiators reach agreement could advance completion of this project by up to 3 years.

It will take an estimated 3½ years to plan and design this key project. With an appropriation of $500,000 this work would begin next

year. This investment would buy time and industrial development in the Pacific Northwest. Start of construction would stake out a claim by the United States to at least part of the flow of an important Columbia River tributary.

As I have said previously, the fastest way to get Libby Dam is to build it in two stages—the first backing water to the International Boundary, with the second story to be added when agreement is reached with Canada.

YELLOWTAIL UNIT

Of major importance to the Missouri Basin is the budget item of $2.5 million to begin work on Yellowtail Dam, major multipurpose project in the Big Horn River near Harden, Mont.

Already a matter of record before this committee is justification of this needed project, authorized under the Flood Control Act of 1944.

Yellowtail will be a concrete structure, 520 feet high and 1,445 feet long. A reservoir with a capacity of 1,375,000 acre-feet will provide flood control, power, irrigation, recreation, silt control, and fish and wildlife benefits.

By the administration's own admission, the preference customers in the Upper Missouri Basin States face a shortage of from 150,000 to 200,000 kilowatts of power by the winter of 1963–64. Yellowtail would put 200,000 kilowatts on the line.

You will recall that construction funds have been appropriated twice for this project. The Public Works Appropriation Act of 1956 provided $4 million. The public works budget for 1957 included an additional $10,850,000.

This latter figure was recommended by the Senate, then was eliminated in conference following the President's veto of Senate Joint Resolution 135 of the 84th Congress, which authorized transfer of $5 million from Missouri River Basin funds to pay the Crow Indian Tribe the negotiated price for the project right-of-way.

Three years ago, Congress decided not to carry over the $3.3 million remaining available in the Yellowtail construction allocation. Two years ago, Congress passed, and the President signed, a resolution to pay the Indians for the right-of-way.

Last year the administration failed to budget a penny for this dam which will more than pay for itself through sale of power while creating new jobs, new wealth, and broadening the tax base in Montana and other Missouri Basin States.

As of the most recent report Montana had an unemployment rate of 12.7 percent—more than double the national average of 5.8 percent—second only to Alaska in the ranking of the States in the number of jobless as a percentage of those in covered employment. Neighboring North Dakota ranged third, with a percentage of 12.2. Although no other State had a percentage above 10, there also was substantial unemployment in the neighboring States of Idaho, 7.7, and Wyoming, 5.9.

The sole argument I have heard against this project is that it would cost money. The Chamber of Commerce of the United States has recommended curtailment of investment of public funds in public works.

That this is false economy is demonstrated by the fact that the cost of this project has risen more than 20 percent since the 1955 approval

of the construction appropriation, an appropriation which was later canceled. The 1955 estimate was $89 million. Today it is more than $109 million. Had we gone ahead with Yellowtail 5 years ago we would be realizing its benefits now; and we would have saved enough to pay for the $20 million East Bench unit in southwestern Montana.

TRANSMISSION DIVISION

As it should, the Bureau's fiscal 1961 program provides for continuation of construction on the Fort Peck project.

Allocation of $450,000 for expenditure in Montana would complete the 105-mile Fort Peck-Dawson County transmission line and facilities in the Dawson County substation. Power from the second powerplant—for which $4.5 million is budgeted, and which we also support, for fiscal 1961—at Fort Peck is to be transmitted by these new additions late in the fiscal year.

The fiscal 1961 program in Montana also includes: Start on a new substation in the Wiota-Wolf Point area to supply power to irrigate additional Indian lands; work at Shelby substation leading to direct delivery to the Glacier County Electric Cooperative; modernization of the Wiota substation; construction of new warehouse facilities at Fort Peck and relocation of the Terry radio relay station.

I will ask Mr. Hawkins to present his testimony.

Mr. RABAUT. Mr. Hawkins, we will put your statement in the record and you may enlarge upon it.

Mr. HAWKINS. All right, sir.

(The statement follows:)

STATEMENT OF WILLIAM W. HAWKINS, DILLON, MONT.

EAST BENCH UNIT

	Acres
Supplemental water supply for	28,004
New water supply for	21,800
Total, unit	49,804

Detail investigations started in 1947.
Total cost of work to date, about $1,176,000.
Definite plan report approved September 1956.
Local committee started organizing December 1955.
Clark Canyon Water Supply Co. formed April 1956.
East Bench Irrigation District, October 1957.
Repayment contracts executed for Clark Canyon Water Supply Co. and East Bench Irrigation District by United States on October 8, 1958.
Senate bill S. 977, modifying acreage ownership limitation for East Bench unit passed by 85th Congress an act signed by President on July 24, 1957, becoming Public Law 85-112.

The economy of the Beaverhead Valley of southwestern Montana rests primarily on agriculture, chiefly ranching, which does not benefit from any Government support program. A steady supply of water is vital, not only for the cattle and sheep, but also for production of hay and grain to carry them through the winter. There are about 95,000 head of cattle and 85,000 head of sheep in Beaverhead County.

We have plenty of water in our area. The problem is to control it—to store it during the winter and early spring when the snow melts and hold it for use during the dry summers.

With practically no regulation of streamflow at present, the snow melts rapidly when it turns warm early as it did this year, and the water we need to irrigate

our hay meadows floods the valley in the spring and is gone usually by late in April. This year it is practically gone now.

The East Bench unit would stabilize the basic industry of our area by assuring a dependable, year-round supply of water. It would not contribute to surplus agricultural products—since all the hay and grain produced on the irrigated areas are consumed by livestock.

In the State of Montana, only 2 percent of the gross land area, or about 13 percent of all the cropland, is irrigated. During drought years, it is estimated that this irrigated 13 percent produces nearly two-thirds of our crops. This demonstrates the stabilizing effect of irrigation and also supports the need for increasing the irrigated acreage wherever possible. Development of the East Bench unit will place our area in a position to assist in meeting the demands for food and fiber imposed by a national population increasing at the rate of 3 million a year.

Another major industry, mining, continues in a depression, causing unemployment in the area to reach a new high. As you may know, Montana ranks second among the States in the rate of unemployment—the jobless as a percentage of those in covered employment.

As of March 19, 1960, the rate of unemployment in Montana was 12.7 percent, second only to Alaska with a high of 16.4 percent. Unemployment in neighboring Idaho also was significantly above the national average at that time. The national average was 5.8 percent. The figure in Idaho on March 19 was 7.7 percent.

As Mr. DeMar Taylor and Congressman Metcalf emphasized in testimony before this committee last year, time is of the essence. Carrying this project forward rapidly will save some $2 million in construction costs, or about 10 percent of the total cost of the project. You will recall that the Montana State Highway Department planned to route a part of the new defense highway through what is to become the reservoir area. At the request of people locally, the Department delayed this project to give us time to go ahead in support of the East Bench unit. Relocation of that highway, once built, would add at least $2 million to the cost of the project.

Prospective water users have contracted to repay appropriate shares of the construction costs for this unit and have diligently pursued and accomplished every requirement of the Government as a preliminary to start of construction. They have done everything possible. From previous testimony, you know of the strong local and State support for this needed development. Statements include those from the Beaverhead Chamber of Commerce, our Governor and State Water Conservation Board. It is our hope, Mr. Chairman, that this committee will continue this investment which means so much to the people of our area.

Mr. HAWKINS. As you know, we are planning on this supplemental water, supplementing the irrigation for 28,000 acres and then new water for 21,800 acres. Now, gentlemen, we today have water enough going by us to irrigate all this, but it comes at the wrong time of year. I do not know whether you understand just what our situation is there, but right above us our country is a big, steep country and we people built a dam up in what we call Centennial Valley and with that we thought we could supplement our water enough down there.

You know we have water rights, but the man who lives on the head of the creek has the best right, because he gets the water first. Our people down at Dillon own one-third of that dam and in all the years I have been there, 50, I don't know when they ever got that water. What happened is that they irrigate these big, high valleys in the summer; they flood it and the water comes down underground. When it gets down about 15 or 20 miles above this dam we are going to build, it rises in the river. But this return flow does not come until October. Our irrigation season has gone. That river will run all winter long, bank full, and then about the 15th of April the water is all gone. By the 15th of May lots and lots of years we haven't a drop in the river.

We had plenty of water. When we started this thing we did not plan on irrigating the bench. What we started to do was to firm up these water rights in the valley. You know you go along and put in your crop and maybe 6 years out of 10 you make it. The other 4 years along about the middle of May the water is all cut off.

We have 91 percent of the people and 97 percent of the land, the biggest signup, the Reclamation people tell us, that they ever had. You know what farmers are. When you get them together you have done something. The people who are getting this water today don't pay one red cent. That water is free. All they have got to do is take it out. They are willing to go ahead and build this dam, assume this obligation. A number of those people—out of 60-some people there are 12 people who never had been short of water. You know how these water rights are established. In our creek—we are in the old mining area—a lot of those ditches were taken out as mining ditches in the sixties. Gold was there. Some of those rights run from 1860 down to the present day. There has never been any cutoff of water later than 1879. I will tell you what these people offered to do with the rights prior to 1879. They said, "We will limit ourselves to 4½ acre-feet and you can have the rest of the water." I do not know whether you know what water means in a dry country, but it is really the lifeblood. These people were willing to do that.

Gentlemen, I spent a long time there. I went into this thing. I went over into the next valley.

Mr. RABAUT. You are for it?

Mr. HAWKINS. Yes, sir; I am for it. I am sold on it. I believe in it. I cannot see anything wrong with it.

I thank you, gentlemen.

Mr. METCALF. Now, State Senator Charles Mahoney.

STATEMENT OF SENATOR CHARLES MAHONEY

Mr. MAHONEY. Mr. Chairman, I appreciate your problem, having served on our finance committee for 20 years in the senate. I know the problem you are up against trying to divide up what money you have available. We in Montana would like a couple of points brought forward. One is irrigation. Under the road program in our State, you are routing a road up through our best river valley, the Yellowstone River from Glendive to Riverton, approximately 300 miles.

This road is taking out approximately 40 acres to the mile of this river valley. There will be about 200 miles of that through irrigated and good lands. If Yellowtail is constructed, and we certainly want it, we would have approximately 70,000 acres of irrigated land put back.

That, with this part that comes in over on the East Bench project, we would about break even with Yellowtail when it is constructed.

I know there is this problem and Mr. Jensen, being a farmer, we hear all of these surplus problems that we have too much of this and too much of that, but in our area it is not the crops grown on irrigated land that are in surplus; it is crops that are grown on land not irrigated. When we lose this land in Montana it will take approximately 20 to 25 years to get land on projects that we start in now to get under construction. We feel that we should have this much to replace what we are taking out with our big road system.

Furthermore, gentlemen, this dam looks to us like a long-time investment. On my place, and Mr. Jensen knows this, every once in a while I have to go out and put a new fence in. I run a bunch of cattle. I know I have to put in a new fence, drill a new well, or something. It isn't charged off in 1 year. I have to put that up as an investment for a long time. This Yellowtail Dam will give eastern Montana, which is a power-deficient area, a chance to get ample power for our REA's. This might sound a little funny, but we are forced in eastern Montana to go into Nebraska to buy power to supplement what we cannot get from the Bureau.

Mr. Jensen's area has the same problem. Under the new allocation, we are only granted 83 percent of our power starting in 1963. Yellowtail will help to bridge part of that for our area. I thank you very much.

Mr. METCALF. I thank the committee for this opportunity to appear.

Mr. RABAUT. Thank you.

APRIL 11, 1960.

YELLOWTAIL PROJECT

WITNESSES

HON. LeROY ANDERSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MONTANA
HOWARD BUNSTON, HARDIN, MONT.
MELVIN SEITZ, BUSINESSMAN, BILLINGS, MONT.
ALBERT WHITE, BILLINGS BUILDING AND CONSTRUCTION TRADES COUNCIL, BILLINGS, MONT.
J. CARTER JOHNSON, BILLINGS CHAMBER OF COMMERCE
WILLARD E. FRASER, BILLINGS, MONT.
JASPER LONG, CROW INDIAN RESERVATION

Mr. RABAUT. Congressman Anderson.

Mr. ANDERSON. Thank you, Mr. Chairman.

Mr. RABAUT. You have a Montana group talking about Montana projects?

Mr. ANDERSON. Yes, sir. I have a Montana group. I want to thank you for this opportunity for me and some of my constituents to appear before you. I do appear in support of all the budgeted items in Montana, but today I have a delegation here who want to talk especially about Yellowtail Dam; a number of vitally interested citizens who live near the proposed Big Horn Dam site, also known as Yellowtail, which is one of the items before you for consideration today.

I ask your attention while they explain briefly why we urge the approval of your distinguished committee of the President's budget request for $2.5 million for construction work on this dam.

I do want to express my appreciation to Congressman Metcalf for yielding a few minutes of his time. We have very brief statements. I will ask that the statements, together with a number of messages which I have, be included as a part of the record.

I have a number of messages from the Governors of the 10 States, comprising the Ten States Governors' Conference, which approve and recommend the immediate construction of Yellowtail Dam.

Mr. RABAUT. Without objection the statements will be placed in the record at this point.

Mr. ANDERSON. May they follow the testimony, sir?

Mr. RABAUT. We will have it put in the record following the testimony.

Mr. ANDERSON. The testimony of the Governors first, and then from other citizens of the area who have sent in their testimony.

I also have here a copy of the testimony to be given this afternoon by each of the witnesses.

Mr. RABAUT. That will follow the Governors' testimony.

Mr. ANDERSON. Following the Governors' testimony.

I would ask that each of the witnesses who is to speak be permitted to give his very brief remarks. If you have questions, those could follow the remarks of the whole group.

Included in these statements that I have just given you is one by Mr. E. W. Rising, who is unfortunately in the hospital. Also absent because of a recent operation is Roy Cool, of Hardin, who would otherwise have been here.

Mr. RABAUT. His statement is here?

Mr. ANDERSON. Yes sir. I have a statement from Mr. Rising.

Regarding the project in my congressional district, Yellowtail Dam: Including the right-of-way, about $8 million has already been spent on this project. In 1956, your committee and the Congress approved $4 million for the construction of this project but only $700,000 of this was spent because of controversy which arose with the Indians over the right-of-way. That controversy has now been settled and we feel we have something of a proprietary interest in the unexpended $3.3 million which you appropriated, but which we returned to the Treasury because of inability to expend it for that reason. We are asking now that you give us back the $2½ million to start construction, which was requested in the President's budget.

The most important benefit of this dam will be the production of 200,000 kilowatts of power to help in the industrial development of our now largely agricultural State. This fine power production is the major contributing factor to the exceptionally high benefit-cost ratio of 1.77 to 1. That is, for every dollar invested by the Government, it will get back $1.77 in benefits because the dam will provide a large amount of power. It is also a multipurpose dam, in the fullest sense of the word, including many aids to reclamation, recreation, flood control, fish and wildlife benefits.

STATEMENT OF MR. HOWARD BUNSTON

The first witness that I will ask to speak is Mr. Howard Bunston, of Hardin, a lawyer and father of this project. He is one of those who originally thought it up. He has been working on it since 1913.

Mr. BUNSTON. Mr. Chairman and members of the committee——

Mr. RABAUT. We will be pleased to hear you now, Mr. Bunston.

Mr. BUNSTON. Thank you.

I arrived in Hardin in 1913 after graduating from the University of Michigan. At that time they were surveying the Big Horn Canyon, the third largest in the United States.

After private interests failed to attract private capital, the Army Engineers and the Bureau took over.

In 1941 a hearing was held in Billings to secure local views on the revised 308 report. Montana and Wyoming jointly urged a dam above Thermopolis and a high dam near the mouth of the canyon in Montana some 200 miles below.

In 1944 the Congress enacted into law the Missouri development program in which was authorized the Hardin project as the key project of the Yellowstone. All preconstruction work is completed and the land needed from the Crow Indians has been secured.

Some years back a present member of your committee flew down the Big Horn over the canyon, circled the damsite, and when we arrived in Billings told a reporter, "I have viewed most of the important damsites in the United States, and I tell you, if ever there was a natural, this is it."

Congress Jensen, the canyon and the damsite are still there, much more important to our area and the Nation than ever before.

Gentlemen, after 47 years of continuous effort, the President has included an item of $2½ million to begin construction. May we anticipate your favorable consideration, and may I thank you for tolerating my many intrusions in behalf of our area during the past 30 years.

Mr. RABAUT. Thank you very much.

Mr. ANDERSON. Thank you, Mr. Chairman.

Mr. JENSEN. May I say, Mr. Chairman, that the gentleman who quoted me quoted me exactly right. I say just that about the damsite. Thank you.

Mr. BUNSTON. I might say when we flew around that damsite the plane was at about a 45° angle and Congressman Jensen was kind of hanging on a little.

Mr. JENSEN. He flew high and got altitude and then he spiraled down almost to the bottom of that canyon. I never before had quite that kind of experience, but we really saw the damsite.

Mr. BUNSTON. You and I are about the only ones left.

Mr. JENSEN. I believe that is right.

STATEMENT OF MR. MELVIN SEITZ

Mr. ANDERSON. Mr. Melvin Seitz, a businessman and past president of the Billings Chamber of Commerce.

Mr. RABAUT. We will hear from you, Mr. Seitz.

Mr. SEITZ. Gentlemen, I am Melvin Seitz, a businessman of Billings, Mont., and I am here to represent the business interests of Billings and eastern Montana, requesting your support for funds—$2½ million—to start construction of Yellowtail Dam on the Bighorn River.

The construction of this dam is long overdue, and to proceed with it at this time is very important to the economy of Montana and to the entire Nation. Cost of the dam will be divided approximately one-third for labor, one-third for supplies, and one-third for equipment. Needless to say, labor will be furnished by the local labor market; however, supplies and equipment will be manufactured in the Midwest and the East; therefore, the entire Nation will profit by the construction alone.

However, the great impact to the whole economy will result as new wealth will be created by power, recreational facilities, and new irri-

gated cropland. We need only to look at many existing irrigated areas in Montana at present to know that similar projects constructed 25, 50, or more years ago are now the stabilizing contributors to our economy. We should not overlook the fact that with our fast growing population, highly productive irrigated land will be needed in future years to produce food crops such as sugar beets, beans, and livestock feeds which are not in surplus at the present time. Much wheatland will be taken out of production to produce these crops.

Furthermore, we need to conserve the water supply of the Northwest, and by so doing we can produce new sources of electrical power sorely needed for new industrial development there.

As supplements to this statement I am attaching letters from the presidents of banks in our community further supporting the needs for the immediate construction of this dam.

We will include them in the record at this point.

(The letters follow:)

FIRST NATIONAL BANK,
Billings, Mont., April 6, 1960.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN CANNON: I am writing requesting your support for funds to commence construction of Yellowtail Dam on the Big Horn River in Montana.

We at this bank believe it would be beneficial nationally as a flood control measure as evidenced by present flood conditions on rivers to which this is a tributary.

This entire area has long been without a convenient and accessible large body of water for recreational purposes. Yellowtail Dam would be an answer to this problem.

Our soil is very productive, but water is not readily available. Yellowtail Dam would add substantially to this area's agricultural productivity. It would provide much needed additional employment and substantially increase the value of the land under this irrigation project.

We are a State of large area and very few people. Anything that can be done for us to make our State attractive to populations and industry would be a wonderful step toward making Montana more self-sufficient and a stronger link in our chain of 50 States. Yellowtail Dam we believe is such a step and we urge your favorable consideration of it when it comes up for review.

Sincerely,

FRED MARBLE, JR., *President.*

BILLINGS STATE BANK,
Billings, Mont., April 5, 1960.

Hon. CLARENCE D. CANNON,
Chairman, House Appropriations Committee,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN CANNON: It is my understanding that your committee will soon be conducting hearings on appropriations for the construction of Yellowtail Dam in Montana.

The construction of this dam has been the dream of the citizens of Billings and the surrounding area for the past 50 years and we are in hopes that construction can be started this year.

The construction of this dam means a lot to the entire eastern half of the State of Montana, not only during the construction period but for many years to come.

This dam will accomplish three things:

(1) Help control floods.

(2) Develop a large irrigated farming area.

(3) Provide electrical power for our fast-growing cities and make it possible for heavy industry to establish plants in this part of Montana.

Your favorable consideration will be appreciated.

Yours very truly,

O. B. SILVEY, *President.*

SECURITY TRUST & SAVINGS BANK,
Billings, Mont., April 5, 1960.

Congressman CLARENCE D. CANNON,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN CANNON: I have been a resident of Montana for 52 years and during this period I do not know of any development that has been as important to eastern Montana as the construction of the Yellowtail Dam will be. We hope that when your committee meets in the near future to conduct hearings on public works appropriations that this project will receive your favorable consideration.

There are several reasons why this dam should be constructed, of course. These have been presented to you, but in my opinion one of the most important ones is flood control. When you take into consideration the terrible floods they are now having along the Missouri River through Iowa, Nebraska, and Missouri, you can readily see where the building of this dam is greatly needed.

The cooperation and support of your committee of the $2½ million as requested by President Eisenhower in his 1961 budget will be greatly appreciated.

Yours very truly,

R. M. WATERS, *President.*

Mr. SEITZ. I therefore urge you on behalf of business in eastern Montana to appropriate the $2½ million to immediately start the construction of Yellowtail Dam as requested by President Eisenhower in his 1961 budget.

Thank you.

STATEMENT OF MR. ALBERT WHITE

Mr. ANDERSON. Mr. Chairman, our next witness is Mr. Albert White, who is here representing the AFL–CIO labor groups.

Mr. RABAUT. Mr. White.

Mr. WHITE. Mr. Chairman, $2½ million will be a very substantial start for Yellowtail Dam, but it must come now if it is to help in a time when unemployment is growing daily. The people of eastern Montana and northern Wyoming have been hopefully anticipating this dam for many years. To deny them now is to ignore the pleas, and the hopes and plans of a vast segment of American citizens, including many who are Indians or of Indian descent.

Our Montana Congressmen and Senators, our State officials, and our chambers of commerce, as well as numerous civic clubs and organizations, and our labor organizations for which I speak today, have spent hours of time, thousands of dollars, and have written letters, sent telegrams, and made telephone calls to help toward this coveted goal. All this in a united, nonpartisan, cooperative spirit and effort to secure this worthwhile and vital project.

The area immediately surrounding the proposed damsite is practically worthless without this dam. Irrigation, plus the additional electrical energy generated by the dam, will broaden incomes and provide for new industries in our State where ample room and raw materials are available. While construction jobs for a few years will immediately take up some of the employment slack, there will also be created hundreds of permanent jobs not now existent for people, many from other States, for years to come.

Fort Peck Dam, Hungry Horse Dam, and Canyon Ferry Dam are proof that such projects in pioneer States like Montana benefit all people and all types of businesses and industries. Fork Peck Dam alone proved that unemployment could be reduced rapidly. New businesses have been established and thousands have obtained steady jobs where none existed previously. Eastern Montana and northern

Wyoming now need a shot in the arm to boost sagging business employment. This appropriation will provide that antitoxin.

Eastern Montana needs this project to increase irrigated lands and electrical energy supply. All energy could be used in Montana; however, any surplus could be quickly absorbed in Wyoming or Nebraska, so the proposed project is truly an investment with merit.

The second largest revenue realized in Montana is from our tourist trade. Yellowtail Dam, with its boating, fishing, and other increased recreation activity, will bring even more tourists into the area.

We can't have fried chicken till we get and hatch the egg; and we can't get new industries or take up the employment slack till we get this project underway. Gentlemen, what we want and need is appropriation of the $2½ million requested in the President's budget.

Thank you.

Mr. RABAULT. Thank you, Mr. White.

Mr. ANDERSON. Thank you.

STATEMENT OF MR. CARTER JOHNSON

Mr. Chairman, the next witness is the chairman of the water resources committee of the Billings Chamber of Commerce, a businessman and agricultural specialist, Mr. Carter Johnson.

Mr. JOHNSON. Thank you, Mr. Anderson, and Mr. Chairman.

Gentlemen of the committee, my name is J. Carter Johnson of Billings, Mont., representing the Billings Chamber of Commerce. I am appearing before this committee to urge your concurrence in the budgetary request for a $2½ million appropriation to permit construction of Big Horn Dam near Hardin, Mont.

Gentlemen, the sooner this project gets underway, the better we all will be, since hydroelectric energy is getting in short supply. By the time this project is completed, such energy will be in premium demand.

The flood control feature of Big Horn Dam is self-evident. When we as a nation can harness our raging rivers and control them by turning off and on streamflow as one would turn a faucet, then, and only then, can we avoid the a tragic death toll, the untold millions of dollars in damage, and the vast loss of topsoil from the very heartland of America.

Now, as a businessman I must recognize what is good and what is bad in the way of investments. Big Horn Dam is, in my opinion, a good investment. The project will be completely self-liquidating. It will help all the people of the United States achieve a most profitable financial investment for the present as well as for future generations of our citizens. It not only will pay for its entire cost with interest, but it will also continue to add to the Nation's income far into the future. It will serve our Nation by providing a major economic uplift to our region as well as by broadening the tax base, thus providing a stable but elastic farm economy in which a man has a choice of crops rather than be confined to a crop in surplus. Part of my business includes farming. I raise beans and sugar beets on irrigated land. Now crops which we can grow on irrigated lands in the West are not in surplus and there is a growing demand for them. Adequate water supplies are a must for a growing America. Water is especially precious to us in the arid West. Big Horn Dam will provide water

for stockgrowers to raise winter feed beyond that furnished by the hay in mountain meadows. Thus, stockgrowers can avoid a hazard of nature they have faced throughout the years when rainfall is inadequate to grow hay for winter feeding.

In conclusion, it would seem that to approve an appropriation for the Big Horn Dam would be good judgment, and good business, on the part of this committee.

Thank you.

STATEMENT OF MR. WILLARD FRASER

Mr. ANDERSON. In order to stay within the limitation of our time, I think we will have time for only one more witness. May I ask that the committee take note of the fact that Mr. Willard Fraser of Billings, one of our gubernatorial candidates this year, is present and has written a fine statement. I would ask that it be included in the record, at this point.

Mr. RABAUT. Very well.

(Mr. Fraser's statement follows:)

STATEMENT OF WILLARD E. FRASER

My name is Willard E. Fraser, and I am a resident of Billings, Mont., since 1912. I own and operate an office building and an apartment in that city.

I am once again appearing before another congressional committee in behalf of Yellowtail Dam on the Big Horn River in southeastern Montana. I say committees in behalf of the Yellowtail Dam, and it is hoped that this will be the "again" for off and on since 1949, I have been appearing before congressional committees in behalf of the Yellowtail Dam, and it is hoped that this will be the last necessary appearance.

Yellowtail Dam was authorized under the Flood Control Act of 1944, and has had approximately $3 million appropriated to date by Congress for preliminary work, plus an added $4 million for actual construction, only to have about three fourths of that last sum snatched away, after a $5 million payment to the Crow Tribe was vetoed by the President as being an excessive payment for the damsite owned by the Crow people. Since that time, the Congress did appropriate $2½ million for the tribal-owned damsite, and which in turn was accepted by the Crow Tribe, and the President's budget now provides for Yellowtail Dam construction; so it would seem that all obstacles have been removed.

With all the above appropriations having been made, and more than $5 million having been spent solely in the interest of constructing the Yellowtail Dam, it would be untrue and unfitting to say that the Yellowtail Dam comes under the "no new starts" program of the administration, for Yellowtail Dam is over $5 million under way. To spend this large sum, without continuing the job, would be unsound, uneconomic, and unpolitic regardless of what political party or administration might be in power, and in Montana both political parties have recognized this fact in legislative action.

The Flood Control Act of 1944 was a courageous plan on the part of the Congress to harness the resources of the vast Missouri River Basin, but no plan, however grand, can have any real meaning or effect until it is put into operation.

The approved, and now Government-owned, site of Yellowtail Dam is near the mouth of the Big Horn Canyon, passageway of the Big Horn River, located some 35 miles southwest of Hardin, Mont., and some 40 miles southeast of Billings, Mont.

The Yellowtail Reservoir would extend more than 50 miles within the rugged and inaccessible canyon walls which tower hundreds of feet above the twisting Big Horn River that winds its way north through the Big Horn and Pyror Mountains to form the most nearly perfect damsite. A damsite rarely equaled in nature. No arable farmland would be displaced, or taken from cultivation, nor would any potentially valuable mineral deposits be inundated, for almost all of the steep canyons, through which the Big Horn River wends its way, are steep limestone cliffs, the only exception being a short distance, where the cliff structure is of a sandstone conglomerate.

Yellowtail Dam is no newly proposed, or suddenly conceived project. Rather, it has been the aim and dream of some of the soundest and straightest thinking men the West has produced since the turn of the century. Montana and Wyoming have sent men of great stature to the Congress through these long years, who have seen and realized that Yellowtail Dam can give value to their respective States and Nation. Senator John B. Kendrick of Wyoming and Senator Thomas Walsh of Montanna are but two of the many outstanding Senators, past and present, who have advocated and worked for Yellowtail Dam, and have sought its construction. Business, educational, farm, Indian, labor, and veteran leaders and organizations of Montana and Wyoming have repeatedly urged the construction of Yellowtail Dam, for its importance to the economic growth of this undeveloped area is now fully understood by all civic, business, farm, and other community leaders.

In previous hearings, we were reminded that there was a silt problem of the Big Horn River that should be solved before the Yellowtail Dam should be built. With the construction of the Boyson Dam near Thermopolis, Wyo., the major silt problem has now been solved. Then we were told that there should be a river compact between Montana and Wyoming. This compact has been made, and is now in full force and effect. Lastly, we were told that we must make a satisfactory settlement with the Crow Tribe before the dam could be constructed, and this, too, has now become an accomplished fact. Thus, all three objections or hurdles have been cleared; so now it is time to get on with the job, on which, as previously stated, some $5 million have already been spent. Great effort has gone into the solving of these three problems, and this through the united efforts of men of Montana and Wyoming, plus the efforts of strong men in Washington, as well as the Governors of both States. And, I might add that men of both major political parties have added their bit to this work and that it can hardly be called a partisan matter is evidenced in the fact that every session of the Montana Legislature, since and including 1949, has passed memorials urging the construction of Yellowtail Dam, and, in every case, the memorial was signed by the Governor, yet during that period both parties have alternated in control of both bodies of the legislature, as well as the Governor's office.

Flood control is a very important asset to be gained by the construction of Yellowtail Dam. During recent years, the cities of Miles City and Glendive have been repeatedly hard hit by floods. The region in which the Yellowtail Dam will be constructed is one of slight rainfall, but of rapid runoff of such rain, and spring snowmelt. Then too, the soil in this area is of a peculiarly friable nature easily aroused by the runoff. Indeed, it has been estimated that 26 percent of the silt carried past Kansas City by the Missouri River comes from the Big Horn River, and that 52 percent of the silt carried by the Yellowstone River past Glendive, Mont., is Big Horn River originated. This adds immeasurably to the costly dredging so necessary in the navigable downstream areas. So, too, does the Big Horn River's spring runoff contribute to the flood damage of the lower Missouri States area. Dike and levee building along the lower basin area is costly, as is the aforementioned dredging operations. Engineers advise that the construction of the Yellowtail Dam will materially cut down on these costs, for it is now realized that flood damage cost in one area must be shared by all America.

The electrical energy that will come from the fall of the waters of the Yellowtail Dam will serve to firm up the power grid, and add to the industrial potential of the northern Wyoming, and southeastern Montana areas, plus the fact that there will be an increasing need for domestic power as these fast-growing areas increase in population.

The population of our country is increasing at an ever more rapid rate, and agricultural lands are becoming more and more valuable. Yellowtail Dam will put many thousands of acres of land under irrigation, taking land that is now producing crops (wheat especially) of which we are in overproduction, and replace this with crops that are in demand, such as sugar beets and meat or feed crops. Presently, only 18 farm families operate the area to be brought under the ditch by Yellowtail Dam, and their production is largely confined to wheat—a product in overproduction. If this land is brought under the ditch several hundred farm families would find self-supporting homesteads, where, as stated above, now only 18 farm families operate.

Our Crow Indian people stand to gain immeasurably from the construction of Yellowtail Dam, for with its completion will come the possibility of jobs that will assist them to adapt their ways to that of the white man, a possibility that is now almost completely denied them.

Yellowtail Dam meets without question the multipurposes requirements of the Bureau of Reclamation for dam construction. Its construction would be an outstanding achievement in the realm of reclamation, soil conservation, irrigation, silt control, power development, and not to mention or overlook the fact that it would provide Wyoming and Montana residents—and residents of all America—one of the greatest lake recreation areas in the Western Hemisphere. What the Yellowtail Dam would do for fish and wild life goes without saying, and the profits to be derived from the Nation's sportsmen would be tremendous. Today the river is too muddy and silt laden for game fish to survive, and no wildlife can exist in the canyon bottoms, for there simply is no room for forage to any degree sufficient to sustain them.

In conclusion, let me state that there is no area in the entire Missouri Basin more worthy of consideration and legislation bringing it into being than is the Yellowtail project. It is an investment of vast potential worth, and one in which America has already invested over $5 million. Each year that sees the uncontrolled waters of the Big Horn wasting and destroying their way unharnessed to swell the destroying floods of the lower basin area is a year of agricultural, industrial, power, and soil loss that can never be replaced. Water is a crop, and a crop must be harvested when it is ripe. The water crop ripens with the melting of the mountain snows in the springtime, and must be harvested in the spring and can only be harvested by dams such as the Yellowtail. Not to harvest that crop is a waste of a great resource, given by God to man, to use and enjoy. Not to do this is sacrilege. Let us halt this squandering of this, our greatest resource. Let us aid the Crow people and outselves. Water and topsoil, like wasted hours, can never be replaced if once permitted to erode and flood away. If the Congress, and the President will give the Bureau of Reclamation the $2½ million now requested for this project, that Bureau will do the job to the benefit of all America, for the retention of water upstream is one of America's most pressing needs.

STATEMENT OF MR. HENRY RUEGAMER

Mr. ANDERSON. Mr. Henry Ruegamer of Hardin will close our presentation. I would like to point out he is one of our civic leaders in Hardin, the location of Yellowtail Dam; past district governor of Kiwanis; father of seven fine children, four boys and three girls. He has a real interest in the progress and in the future of this community.

Mr. RUEGAMER. Mr. Chairman, in my letter to you March 23, I attached a study, "Recommending Construction of Yellowtail Dam." A few days ago we visited the Bureau of Reclamation and gained more vital facts concerning immediate future needs for electric power in the Missouri River Basin.

Secretary Seaton, 3 months ago, announced that preference customers would be rationed at about 83 percent of their estimated 1963 needs. Obviously, there just is not enough power to go around. In 1966, the basin area power will be in short supply by 482,000 kilowatts. The increased need for electric energy by REA's points to a major problem rapidly developing in this region.

In fiscal 1950, there were eight Montana REA cooperatives within transmission distance of the proposed Big Horn Dam. They bought about 19 million kilowatt-hours of electric energy from the Federal system. Just 8 years later, these same cooperatives, plus four others, purchased more than 157 million kilowatt-hours—a tremendous increase of 800 percent. The same story of growth could be told in neighboring Missouri Basin States.

These States are deeply concerned with an adequate future supply of power. The 200,000-kilowatt Big Horn powerplant would go far towards solving this situation. On the Big Horn River, we have this huge natural damsite, and the potential energy from falling water

that now goes to waste. There is a need for this hydroelectric energy, and the need is now.

The Big Horn Dam will be a lasting monument to thoughtful national planning. Our presentation to you today is a bipartisan one. It has the support of the Governors of all the States in our region. These leaders are deeply aware of the thousands upon thousands of citizens who will benefit from an adequate supply of power and of good, clean water; who will be protected frfom devastating floods; and who will share in the other benefits of this multiple-purpose project.

Gentlemen, you will be praised for your infinite wisdom if you approve this $2½ million item in the 1961 budget to construct the Big Horn Dam. By so doing, you will have an everlasting record of achievement in behalf of a vast region of the United States.

Thank you, gentlemen.

STATEMENT OF MR. JASPER LONG

Mr. JENSEN. I see one of our first Americans sitting back here. We commonly refer to them as Indians, and we have the highest regard for those first Americans. I have been closely associated with these first Americans for 18 years, being a member of the Interior Committee of Appropriations, as is Dr. Fenton, and we have learned to respect these first Americans very highly. We respect their good common ordinary American horsesense.

I would like to ask our first American sitting back there if his people are satisfied with the progress which has been made to date and if you are in harmony with the testimony that has been given here. Could you rise, my friend?

Mr. ANDERSON. This is Mr. Jasper Long from the Crow Indian Reservation.

Mr. JENSEN. I think I met the gentleman before.

Mr. LONG. Mr. Chairman and Congressmen, I appreciate very much your calling upon me. I have stated very clearly to the members of my tribe and businessmen of Billings and Hardin and Sheridan that I am 100 percent for the Yellowtail Dam. I feel confident that the majority of my tribe feel the same way and we are certainly anxious that they start building the dam.

I hope this committee will be sympathetic in giving their wisdom in building this Yellowtail Dam. Thank you very much for calling on me.

Mr. JENSEN. I thank you, my friend.

Mr. ANDERSON. Mr. Chairman, may I present these letters and telegrams for the record.

Mr. RABAUT. Very well; they will be included in the record.

(The documents referred to follow:)

WYOMING EXECUTIVE DEPARTMENT,
Cheyenne, April 5, 1960.

HENRY S. RUEGAMER,
Chairman, Citizens Reclamation Committee,
Hardin, Mont.

DEAR MR. RUEGAMER: This will acknowledge receipt of your letter of April 2 and the copy of the brief presented in support of the construction of Yellowtail Dam.

I am just completing my statement on the upper Colorado River Basin project for the April 11 hearings and will append a paragraph expressing Wyoming's support of the Yellowtail Dam project.

This direct testimony will, I think, be more effective and I hope it meets your approval.

Sincerely yours,

J. J. "JOE" HICKEY, *Governor.*

APRIL 8, 1960.

HENRY S. RUEGAMER,
Care of Hon. Leroy Anderson,
House of Representatives, Washington, D.C.:

North Dakota favors the immediate construction of Yellowtail Dam and urges that the estimate contained in the President's budget be sustained. The electric power and subsequent revenues are much needed for developing the Missouri Basin. Reclamation in the upper Missouri Basins is lagging and will be enhanced through this project.

JOHN E. DAVIS,
Governor of North Dakota.

OFFICE OF THE GOVERNOR,
Pierre, S. Dak., April 5, 1960.

Mr. HENRY S. RUEGAMER,
Hardin Auto Co.,
Hardin, Mont.

DEAR MR. RUEGAMER: I am pleased to know that Yellowtail Dam on the Big Horn River in Montana has again reached the stage when construction funds are being requested in the current budget request to Congress. It is always heartening to have another project of the Missouri River development come closer to realization, especially when such a project provides for the much needed power supplies and for irrigation which has lagged so far behind other phases of the basin's development.

I heartily support the construction of Yellowtail Dam and the appropriation requests now before the Congress.

You may use this letter, if you wish, as part of your testimony before the Appropriations Committees.

Sincerely,

RALPH HERSETH, *Governor.*

ST. PAUL, MINN., *April 8, 1960.*

HENRY S. RUEGAMER,
Chairman, Citizen Reclamation Committee, Care Hon. Leroy Anderson,
House of Representatives, Washington, D.C.:

The State of Minnesota joins you in urging favorable consideration of the $2½ million item in the Federal budget for construction of the Yellowtail Dam. Best wishes for a most successful hearing.

GOV. ORVILLE L. FREEMAN.

STATE OF NEBRASKA,
Lincoln, April 6, 1960.

Mr. HENRY S. RUEGAMER,
Chairman, Citizen Reclamation Committee,
Hardin, Mont.

DEAR MR. RUEGAMER: I have your letter of April 2, 1960, with which you transmitted a copy of a brochure relative to the Yellowtail Dam and the associated Hardin Irrigation unit, and requested that I support a request for construction funds for the unit in the appropriations bill now before the House Committee on Appropriations.

I feel very strongly that all of the economically feasible units of the Missouri Basin project should be placed under construction and carried to completion in an orderly manner as fast as possible. The Yellowtail Dam and Hardin unit have my full endorsement and you may use this letter before the appropriations committees of the Congress in support of an appropriation of adequate funds for construction on the Yellowtail Dam during the next fiscal year.

Sincerely,

RALPH G. BROOKS, *Governor.*

HELENA, MONT.

Hon. LEROY ANDERSON,
House Office Building,
Washington, D.C.:

Kindly convey to Hon. Clarence Cannon, chairman of House Appropriations Committee, the following message: "I respectfully urge your committee to appropriate full $2,500,000 requested in President's budget for initial construction costs of Yellowtail Dam situated in Big Horn County. Development of this natural damsite will aid Yellowstone River Valley in particular by furnishing electrical energy for industrial uses and by aiding in alleviating unemployment. I can assure your committee that the people of Montana and our State government stand solidly behind the program to initiate immediate construction of this project. Your favorable consideration is urgently requested.

PAUL CANNON,
Acting Governor of Montana.

STATEMENT OF FRED J. FREDRICKSON, VALLEY CITY, N. DAK., PLANNING COORDINATOR, NORTH DAKOTA STATE WATER CONSERVATION COMMISSION

Mr. Chairman and members of the committee, my name is Fred J. Fredrickson. My home is in Valley City, N. Dak., where I have lived for almost 50 years. I represent the North Dakota State Water Conservation Commission, the State agency having the power, authority, and general jurisdiction to control, regulate, and develop the water resources of my State, and to prescribe the uses thereof.

The Yellowstone River is a principal western tributary of the Great Muddy—the Missouri River—the confluence whereof is in North Dakota. As one of the signatory States to the Yellowstone River Compact, approved October 30, 1951 (Public Law 231, 82d Cong.), for the fair and equitable division and apportionment of the waters thereof, North Dakota is in full accord with the proposed, authorized development in Montana of the potential benefits from the Yellowstone River, including the construction of the Yellowstone Dam, and related facilities, within the purview of the provisions of said compact.

I am duly authorized and urged to assist the Montana delegation and interests in every way possible in their effort to obtain approval of the budget estimate of $2.5 million for initiating construction of the Yellowtail unit in fiscal year 1961. North Dakota is vitally interested in the planned hydroelectric power from this dam, and in the regulated flow in the Yellowstone River which the reservoir will provide.

It is my pleasure, therefore, on behalf of the State and agency which I represent, to support the full budget estimate of $2½ million for starting construction on the Yellowstone Dam and the facilities related thereto during the ensuing year. I respectfully solicit the approval and recommendation of your honorable committee for the appropriation thereof for such purposes.

Thank you for giving me time for this presentation.

HUNTLEY, MONT., *April 9, 1960.*

Congressman LEROY ANDERSON,
House Office Building, Washington, D.C.:

The board of trustees of the Yellowstone Valley Electric Cooperative, Inc., in regular meeting today by unanimous resolution request that you support the appropriation bill for Yellowtail Dam.

MAX MATHEWS, *Manager,*
Yellowstone Valley Electric Cooperative, Inc.

BIG HORN COUNTY STATE BANK,
Hardin, Mont., April 7, 1960.

Representative LEROY ANDERSON,
House of Representatives,
Washington, D.C.

Honorable CONGRESSMAN: We in Hardin and Big Horn County are greatly concerned with the present economical situation in our area. As you are aware, our farmers and ranchers are finding themselves in a difficult period of

high costs and decreasing incomes. As ours is almost completely an agricultural community, everyone is seriously affected.

Allocation of funds for the start of Yellowtail Dam would give our economy a much needed boost. We sincerely hope that you will do everything in your power to get this worthwhile project on its way.

Thank you from all of us for anything that you can do.

Respectfully yours,

LEROY O. WALLIN,
Executive Vice President.

HARDIN, MONT., *April 7, 1960.*

Hon. L. R. ANDERSON,
House of Representatives,
U.S. Congress, Washington, D.C.

Honorable SIR: I am writing you on behalf of the Big Horn County Electric Cooperative, of Lodge Grass, Mont., in regard to the pending requested appropriation for funds to commence construction on Yellowtail Dam in the Big Horn Canyon.

Our cooperative, which serves most of Big Horn County, has gone on record as favoring this construction at the earliest possible time on many previous occasions. We again endorse this project and urge you to give your utmost support toward getting an appropriation through Congress for this purpose.

We feel that this dam is very necessary to our area as an electrical power generating project, and will alleviate a pending electrical power shortage in years to come. If our area is to be developed, we must have this power.

A construction start on this project at this time would be most welcome to Big Horn County, giving our economy a boost and neutralizing to some extent the depressing effects of the "tight money" situation which presently exists.

Sincerely yours,

CHARLES E. SWEENEY,
President, Big Horn County Electric Cooperative, Inc.

LOVELL, WYO., *April 5, 1960.*

HENRY E. RUEGAMER,
of Leroy Anderson,
House of Representatives,
Washington, D.C.:

We express unanimous support of President's request for funds for construction costs Yellowtail Dam. This dam will give tremendous development potential northern Wyoming and Missouri River Basin States.

P. L. POWELL,
President, Chamber of Commerce.

NATIONAL RECLAMATION ASSOCIATION,
Washington, D.C., April 11, 1960.

Hon. CLARENCE CANNON,
Chairman, House Subcommittee on Appropriations for Public Works.

DEAR CONGRESSMAN CANNON: Members of our National Reclamation Association from the State of Montana have requested that a statement be submitted on behalf of our association, expressing our attitude toward the proposed Yellowtail Dam and Powerplant to be located in Montana.

Although this project is primarily for power, yet it is our understanding that it is very definitely tied in with the development of a number of other projects in that area, particularly the Hardin unit. We are advised that the reregulating of the storage water by Yellowtail Dam is necessary in order to make the Hardin unit feasible. The Hardin unit will irrigate 43,000 acres of land. Also, the reregulating benefits to be made available by the Yellowtail Dam will be very beneficial to a number of other projects farther down the river. In addition to the benefits to other pending project developments, Yellowtail will also provide some much needed flood control benefits.

Our interest is primarily in irrigation, but in a number of instances the irrigation would not be feasible without the accompanying power development. We

understand that is particularly true in the case of the Yellowtail Dam in Montana.

The committee, of course, is well aware of the long delay in the development of this project because of difficulties in working out right-of-way arrangements with the Indians. Now that that has been accomplished, we believe the development of this project should go forward.

From what we are told by our members from that area, the project is really vital to the future development of a number of other projects along the Yellowstone River.

Respectfully submitted.

WILLIAM E. WELSH, *Secretary-Manager.*

Mr. ANDERSON. Thank you, Mr. Chairman.

MONDAY, APRIL 11, 1960.

RAINBOW BRIDGE

WITNESS

HON. FRANK E. MOSS, A U.S. SENATOR FROM THE STATE OF UTAH

Mr. RABAUT. Frank E. Moss of Utah. You are going to discuss the Rainbow Bridge item?

Senator MOSS. Yes, sir, I am.

Mr. RABAUT. We are pleased to hear you at this time.

Senator MOSS. Mr. Chairman and members of the subcommittee, I appear here today in a somewhat unusual role for a legislator. I am here to ask that this subcommittee not recommend the appropriation of $3.5 million which the President has requested for exclusive expenditure on a project in my State of Utah.

I make my request on the basis that the entire project is unnecessary, and to spend $3.5 million in the coming fiscal year to launch it, and the $25 million the completed project will eventually cost, would be a dissipation of tax dollars which could not be justified.

The funds have been requested by the Department of the Interior under the authorization contained in the Colorado River Storage Project Act of April 11, 1956. This provides, in separate sections, first that the Secretary of the Interior shall take adequate protective measures to preclude impairment of the Rainbow Bridge National Monument from the waters backed up by the Glen Canyon Reservoir; and second, that no dam or reservoir constructed under the authorization of the act shall be within any national park or monument.

I submit, Mr. Chairman, that allowing the waters of Lake Powell to back up under Rainbow Bridge in southern Utah will not impair this national monument, but will substantially enhance it, and that the so-called protective works which the Department is being forced by the provisions of the law to plan and build cannot be defended. In fact, the works themselves would wreak more havoc than the water.

The protective provisions were written into the bill to placate outdoor groups who feared that artificial reservoir water in one national monument would herald the destruction of the entire national park system. These provisions should be revoked in the light of recent survey facts and sound commonsense.

To make my case, I need first to give you a little background on Rainbow Bridge National Monument. Created by Presidential proclamation May 30, 1910, it comprises an area of 160 acres in San Juan County in southeastern Utah. It is about 5 miles north of the Arizona border and about 30 air miles northeast of the Glen Canyon damsite, in a rugged and brilliantly colored area.

Rainbow Natural Bridge is the largest known natural bridge in the world, with an arch extending 309 feet above the canyon floor—high enough to curve over the Statue of Liberty. The arch was formed by the waters of Bridge Creek cutting through a narrow neck of Navajo sandstone to shorten their course to neighboring Aztec Creek and on into the Colorado River. The inner gorge of the channel below the bridge, in which Bridge Creek flows intermittently, is about 110 feet wide and 65 feet deep.

Rainbow Bridge can presently be reached only by mule pack over a 15-mile trail from the Navajo Mountain School near the Utah-Arizona border, or a 6-mile hike from the Colorado River. Thus it is seen each year by only a few people—and hardy ones at that.

I think we all agree that such a magnificent natural phenomenon should be protected from impairment by any manmade project, and if I felt there was the slightest danger the waters of Lake Powell formed by Glen Canyon would impair Rainbow Bridge, I would be the first to demand protection. But I am convinced there is no danger.

I have in my hand the preliminary report of the Bureau of Reclamation, region 4, Salt Lake City, on the protective works recommended for the Rainbow Bridge National Monument, Glen Canyon unit, Colorado River storage project. Because of the provisions written into the law in 1956, the Bureau of Reclamation, the National Park Service, and the Geological Survey have all sent field parties into the remote Rainbow Bridge country to assist the Bureau to make recommendations on potential protective measures for the bridge. These men carried out their assignments, and then wrote as objectively as they could on the problem.

Let me tell you in their own words what was found. I'm quoting now directly from the Bureau of Reclamation report:

> The Glen Canyon Reservoir behind the dam at a flow line water surface elevation of 3,700 feet would, if unrestrained, back water up in the channel of Bridge Creek under the bridge and to a point about 100 feet beyond the upstream boundary at the monument. At this elevation the water would be 94 feet deep at the downstream boundary and 15 feet at the upstream boundary. Under the bridge the water would be 46 feet deep but the water surface would be 21 feet below the left abutment and 33 feet below the right abutment of the bridge.

Let me repeat—the water would be 21 feet below the left abutment and 33 feet below the right abutment of the bridge. In other words, when the reservoir was at its highest level—which incidentally would only be 13 percent of the time—the water would be far below the columns of the arch, and could not possibly lap against them or impair them in any way.

The Bureau's experts further estimated that an unrestrained reservoir would back up across the monument boundary line about 95 percent of the time, and up under the bridge itself about 77 percent of the time.

To quote again directly from the Bureau's report:

> Examinations made of the creek channel beneath the bridge indicate that the presence of reservoir water in the channel would not weaken the abutments or

foundation of the bridge. Erosion presently caused by wind and changing temperatures would cease in the stillwater region of the reservoir. Waves would be restricted by the narrow, crooked canyon so that erosive wave action would be of minor consequence. Moreover, the lower left abutment of the bridge nearest to the inner channel is separated from the channel by 40 feet of sandstone.

The report goes on to state that because the creek runs through a formation that is medium soft to medium hard thinly cross-bedded sandstone, the banks are subject to erosion by flash floods, and that the presence of the reservoir water in the channel would greatly retard the erosion processes. Also that since seepage is common the presence of the reservoir would cause no material damage in the ground water condition and no uplift pressure would be exerted on the foundation of the bridge. It seems to me this proves conclusively that Rainbow Bridge would not be endangered by the reservoir waters. And it takes very little imagination to see that the monument would be enhanced. The area is one of the most spectacular and breathtaking in the West—a sliver of water backing up into it would add greatly to its scenic lure. It would also provide practical and easy access to the monument. Boats could be brought across the reservoir from Glen Canyon City and Page directly up into the monument and under the bridge. What more satisfying way to see and appreciate this magnificent arch than to float up under it and view it from many angles? It would make Rainbow Bridge, and the untamed country in which it is located, accessible to many people who otherwise could never see these marvels.

Even though the engineers from the Bureau of Reclamation found that protective works for Rainbow Bridge were unnecessary, they were required to go ahead, as I have stated, under the provisions of the upper Colorado River authorizing act, and draw up recommendations to the Secretary of the Interior, which the Secretary could in turn make to Congress, for the construction of such protective works. A number of proposals were considered, but the one which was finally adopted for recommendation to the Congress, and for which the $25 million has been requested, would do the following:

Construct a barrier dam below the bridge to keep the waters from backing up under it.

Construct a diversion dam above it to keep the waters of Bridge Creek from flooding behind the barrier dam.

Construct a tunnel to divert the Bridge Creek waters under the mountains and across into neighboring Aztec Creek whose course parallels that of Bridge Creek.

All of this, together with access roads into the area, or helicopter service to bring in the necessary equipment and supplies, could cost the people about $25 million.

After the protective works are built, there would be an annual cost inspection and maintenance work on the pumping plant which would be necessary on any of the three alternate barrier dam plans suggested.

I repeat, the expenditure cannot be defended on the grounds that the protective works are needed. I ask that the public works appropriation bill be reported from this subcommittee without the requested item of $3.5 million to start construction work on a barrier and diversion dam.

Thanks for your courtesy in listening to me.

Mr. RABAUT. We are very glad to have this excellent statement.

TUESDAY, APRIL 12, 1960.

ALLEGHENY RIVER RESERVOIR AND OTHER PENNSYLVANIA PROJECTS

WITNESSES

HON. LEON H. GAVIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. WILLIAM S. MOORHEAD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. JOHN H. DENT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. JAMES G. FULTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. FRANK M. CLARK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. DANIEL J. FLOOD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. ELMER J. HOLLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
DR. MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATER, COMMONWEALTH OF PENNSYLVANIA
MERLE W. KREMER, PRESIDENT, WARREN AREA CHAMBER OF COMMERCE
BLAIN MEAD, CHAIRMAN, WARREN COUNTY COMMISSIONERS
ARTHUR L. LANGDON, MAYOR OF WARREN BOROUGH, WARREN, PA.

Mr. CANNON. Mr. Gavin, of Pennsylvania, one of the prominent Members of the House, is with us here this morning, and I will ask if he has a statement to make.

Mr. GAVIN. I have a very brief statement to make, Mr. Chairman, and I ask permission to revise and extend my remarks. There may be some material I may want to put in later.

Mr. CANNON. That may be included in the record.

I believe you desire to be heard on the Allegheny River Reservoir?

Mr. GAVIN. Yes.

Mr. CANNON. Proceed.

Mr. GAVIN. I want to take this opportunity to thank the chairman for giving us this opportunity to appear in support of the Bureau of the Budget recommendation and that of the U.S. Engineers to include $4.5 million for the further construction of the Allegheny River Reservoir.

I might briefly review the project for the committee. This project was authorized by three acts, in 1936, 1938, and 1941. The project report cost approximately $625,000. In 1957 there was an appropriation of $1 million. In 1958 there was an appropriation of $1 million for construction.

After approximately $600,000 had been spent of the first $2 million appropriated, there was $1.4 million that remained authorized but unexpended and held in abeyance until such time as a decision of the Supreme Court was reached. After going through the lower courts,

the Supreme Court in June 1959 denied the motion of the Seneca Nation for a writ of certiorari. That automatically should have brought about the resumption of construction, as there was no reason not to resume. However, it was not resumed. If I recall correctly it was in 1958, Mr. Chairman, a special review of the authorized plans and alternatives was requested by the committee and such a report of the alternate plans was prepared at a cost of $75,000, I believe. That was the "Allegheny River Reservoir—A Review of the Authorized Plan and Alternatives."

So it might be said that all phases of this project have been reviewed at a cost of approximately $700,000.

Last year $1.4 million unexpended was reallocated. However, it was restored by the House with a request for another study, but the request for another study was not accepted by the Senate and subsequently the conferees agreed to the Senate version.

A statement I received from the Department of the Army, Office of the Chief of Engineers, Maj. Gen. William F. Cassidy, which I will include in the record, states the conclusion:

> The legal and engineering aspects of this problem have received every possible consideration from the executive and judiciary branches of Government. Voluminous testimony presented by both the proponents and opponents of this project over the last several years has afforded adequate basis for determination by the Congress. Accordingly the Congress decided that the project should be constructed as provided by the authorizing acts. The Corps of Engineers is proceeding with the construction of the project in accordance with the directives of the Congress.

Mr. GAVIN. Mr. Chairman, I will make this statement from the Engineers available to the committee.

Now we have here today a number of people who are very much interested in this project, among whom is Hon. Maurice K. Goddard, Secretary of Forests and Waters of the Commonwealth of Pennsylvania. He not only represents himself but the Governor, I believe, as well.

Mr. CANNON. Dr. Goddard, we will be glad to hear you.

STATEMENT OF DR. MAURICE K. GODDARD

Dr. GODDARD. Mr. Chairman, I would like to present for the record two statements, one of my own on behalf of Governor Lawrence with respect to the Allegheny River Reservoir, and another statement of Governor Lawrence relating to all the projects in Pennsylvania.

Mr. CANNON. They will be included at this point in the record.

(The statements follow:)

STATEMENT OF HON. MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATERS, COMMONWEALTH OF PENNSYLVANIA, ON BEHALF OF GOVERNOR DAVID L. LAWRENCE

Mr. Chairman, there are few, if any, areas in the country where a better case on the need for flood control can be made than in Pennsylvania. Since 1955, only one year—1957—has gone by in which we did not experience a serious flood in our Commonwealth.

Our mountainous terrain, coupled with the fact that the State lies directly in the path of most major storms moving from the south and west, contributes to this. As you know, we are a densely populated and heavily industrialized State. The losses we sustain from flooding, therefore, are sometimes staggering.

Approximately one-third of the Commonwealth is drained by the Upper Ohio, Beaver, Allegheny, and Monongahela Rivers, and the need for flood control in this area is well established. Scarcely a year goes by in which a portion of these basins does not suffer from high water.

In view of this flood history, Congress authorized the construction of a series of reservoirs in our western Pennsylvania basins after the disastrous floods of 1936.

Fortunately, many of the reservoirs called for under that legislation are well underway. Ten reservoirs, have been completed, of which eight are located on upstream tributaries of the Allegheny and Monongahela Rivers above Pittsburgh, Pa. Seven remain to complete the plan. The largest, and only mainstream reservoir, is the Allegheny River Reservoir—the key reservoir to a balanced flood-control system for the Allegheny and Ohio Basins all the way to the Mississippi.

An act approved June 22, 1941 (Public Law 228, 77th Cong.; ch. 337, 1st sess.; H.R. 4911, modified prior flood control acts to include the Allegheny Reservoir project.

As you know, however, construction of the reservoir has been delayed for many years. Chief opposition came from the Seneca Nation, a portion of whose land would be flooded. The Senecas took their case all the way up the judicial ladder to the Supreme Court of the United States which ruled that they are subject to the same public powers of eminent domain as other citizens.

A number of alternates were proposed on behalf of the Senecas to the Allegheny Reservoir. The Corps of Engineers contracted with a private engineering firm to study these proposals. The engineering firm found that the alternates would cost from one-fourth to one-third more, require up to twice as much land, and dislocate nearly twice as many people. While the engineering firm stated that the alternates studied were not all the possible alternates which might be advanced, they did conclude that these studies embraced "the important variations that might have any important effect on total cost."

Other proposals have since been made and more could be made ad infinitum with the net result, if each new proposal is considered, of further delaying this badly needed and authorized project—a project with a benefit-cost ratio of 1.31 to 1. Indeed, recent new alternate proposals have awakened a storm of protest from people who would be adversely affected by these proposals.

The Chief of Engineers personally examined the most recent proposal and found the cost estimates completely out of accord with current material prices and the amount of work necessary to implement the scheme. Lest the impression be generated that the Seneca proposals would affect fewer people, I should like to submit for the record a letter appearing in the Pittsburgh Press on March 20:

"EDITOR, THE PITTSBURGH PRESS:

"I recently read a published letter by Dr. Arthur Morgan, who proposes using the valley of the Conewango Creek as a flood control reservoir in place of the Kinzua Dam reservoir in western New York.

"Dr. Morgan is an elderly man with a fine reputation. I would not want to hurt him in any way. However, many of the statements he has made are misleading and need to be answered.

"Dr. Morgan describes the Conewango Valley as worthless swampland. I have a picture of a fine field of head lettuce being grown on that so-called worthless land. Other fields are planted to celery, carrots, cauliflower, onions, beans, and strawberries. All of these crops need good soil.

"There are thousands of acres of excellent land in the valley which are plagued by floods, but which are certainly not swampland.

"In the Conewango Valley are two school districts. In the last 3 years the Pine Valley School District has built a new school valued at $1,375,000. The Randolph School District recently completed an elementary school and a bus garage valued at $1,425,000. These school districts would be divided and destroyed by Dr. Morgan's reservoir.

"Dr. Morgan is distressed because the Kinzua would force 1,780 Indians to move from their homes. The Morgan plan would force 3,920 people to move from the Conewango Valley.

"The Kinzua would force the abandonment of 11.6 miles of railroad. The Morgan Reservoir would force the relocation or abandonment of 35.6 miles of railroad including 10.6 miles of the main line of the Erie Railroad.

"These are things that Dr. Morgan will not write about. We have urged Dr. Morgan to visit the valley and to talk to us. But he won't. So we regretfully take issue with him.

"HENRY J. MARQUART,
"President, Conewango Valley Flood Control Association, Inc.
"CHERRY CREEK, N.Y."

I might add, Mr. Chairman, that the Commonwealth of Pennsylvania opposes any scheme to divert water from the Allegheny Basin into Lake Erie.

We desperately need flood control in the Allegheny, Mr. Chairman. Floods hit western Pennsylvania again in the past few weeks—floods caused by the same combination of circumstances that precipitated the 1936 flood—rapid snowmelt and rainfall. This time the snow cover was even greater than in 1936, but luckily rainfall was lighter during the critical period. Coordinated operation of those flood control reservoirs, already completed by the corps, averted much damage in the downstream areas. Nevertheless, the river reached several feet above flood stage at Pittsburgh. We had a close call this time. If the construction of the Allegheny Reservoir is delayed, we may not be as lucky the next time.

The Allegheny Reservoir project has, of course, other important benefits. Pollution control through low-flow augmentation is one of the primary purposes. Three of the other reservoirs already constructed in the system, Tygart, Youghiogheny, and East Branch Clarion, have low-flow augmentation functions paralleling those of Allegheny Reservoir. You should note, however, that the increased flow available at Pittsburgh from the Allegheny Reservoir alone is almost double that made available through the combined operation of the other three reservoirs.

In addition, the releases from Allegheny Reservoir, being alkaline and having a high dissolved oxygen content, would be much superior to those from the other three reservoirs for pollution abatement.

The increased low flow has other benefits over and above those to pollution abatement—benefits to navigation and to public and industrial water supplies. With the heavy concentration of population and industry served by the river system, these benefits cannot be emphasized too strongly.

Opponents of the Allegheny Reservoir have continually alleged that construction of the reservoir would destroy recreation in the area. Nothing is further from the truth. Recreational opportunities in the upper Allegheny area will be greatly enhanced.

The U.S. Forest Service has already developed a $15 million recreational plan based on the project to assure maximum recreational development and benefits to the area. They have worked with the Corps of Engineers, the Federal Bureau of Public Roads, the Pennsylvania Department of Highways, and the Pennsylvania Department of Forests and Waters and a basic agreement has been reached on road relocations to protect the recreational potential of the area.

In conjunction with the road relocations necessary to the reservoir project, bids were opened by the Pennsylvania Department of Highways on January 15, 1960, for the relocation of 3.5 miles of Legislative Route 209, Traffic Route 59, in the reservoir area. The contract was awarded to the low bidder, Latrobe Road Construction, Inc., for approximately $1,440,000 on February 9, 1960, and executed February 15, 1960. Obviously, the Commonwealth is already fulfilling her obligations in connection with this all-important project.

Pennsylvania is flood conscious. We have helped ourselves in the past in providing needed flood control and will continue to do so in the future. Even now our State flood control program is among the foremost in the country. It is designed to fill the gap between the protection provided by Federal projects, such as the Allegheny Reservoir, and that provided by the local people themselves. We have cooperated with the Federal agencies engaged in this work and have coordinated our projects with theirs. In fact, I doubt you will find another State in the country which has gone to such length to coordinate its own flood program with that of the Federal Government.

We have seen the value of the Corps of Engineers' work in our State proved time and again in the past. The projects already constructed under the comprehensive plan in western Pennsylvania have proved their worth in many major floods since 1936, and we wish to thank the Congress for making them available to us.

The Allegheny project is the lock to the door we are slowly closing against the threat of flood on the Allegheny River. Accordingly, the Commonwealth of

Pennsylvania strongly supports the recommendations of the Corps of Engineers on this project. In view of the facts, I urge that the funds recommended by the President be appropriated without further costly delay.

STATEMENT OF GOV. DAVID L. LAWRENCE, COMMONWEALTH OF PENNSYLVANIA, AS PRESENTED BY HON. MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATER

Mr. Chairman, I have asked Secretary Goddard to present to you, on my behalf, our need for cooperation from the Federal Government in solving some of the critical problems on our rivers and in our harbors in Pennsylvania. As you know from our past testimony, Pennsylvania is doing as much or more than any other State to meet its water control problems on its own.

We have what is, perhaps, the most acute flood problem per capita in the Nation.

Our industries produce more of the basic commodities than any other State, thus creating extremely heavy water requirements that must be satisfied through such devices as low-flow augmentation during dry periods of the year.

Federally constructed reservoirs can also help us solve some of our particularly nettlesome pollution problems.

Finally, the burgeoning increase in waterborne commerce calling at Pennsylvania's ports makes it imperative that we carry out some urgently needed navigation improvements.

Secretary Goddard has already presented to you our reqeust that the money requested in the President's Budget for the Allegheny River Reservoir be appropriated. To my mind, the immediate construction of this dam is essential for the protection of people in Pennsylvania along the Allegheny and Ohio Rivers, and in all the other States downstream to the Mississippi as well. Opponents of the dam have been granted every hearing and every right to which they are entitled. But 20 years of delay have been far too many. We owe it to the people of the populous Allegheny and Ohio Basins to give them the flood control and river regulation they so sorely need.

I would further urge that the committee appropriate at least $500,000 in construction funds for the Curwensville Reservoir on the West Branch of the Susquehanna.

The President has requested $280,000 in planning money. This will be enough to complete the planning stage before the end of this fiscal year. In order that there be no lapse between the completion of planning and the beginning of construction, it is essential that appropriations for construction be approved in this session of Congress.

As you know, the Susquehanna has posed a flood threat to man ever since he first settled along its banks. In 1954, the Corps of Engineers devised a system of four flood control reservoirs for the West Branch which would control one-sixth of the drainage area in the basin and would reduce by 48 percent damages equivalent to those we experienced in the flood of 1936. One of these dams—the George B. Stevenson Dam—has already been built by the Commonwealth of Pennsylvania. As a matter of fact, I was highly pleased last week with the way in which this dam functioned during our recent high waters. In one day the water level behind the George B. Stevenson Dam rose 40 feet. If it had not been for this flood control storage, we would undoubtedly have had flooding in such communities as Jersey Shore, Lock Haven, and Renovo. Clearly, the three Federal flood control reservoirs in this system must be completed as soon as possible if we are to bring under control the rampaging floods which all too frequently gallop down the West Branch.

Curwensville Reservoir will do more than a flood control job for us, however. It is our hope that the Corps of Engineers will operate this dam so that acid mine pollution in the area can be held back and then released slowly to the West Branch, thus eliminating the monstrous fish kills which occur periodically as far south as Sunbury. If this can be done successfully, one of the most acute pollution problems experienced by all coal-producing States will have been considerably ameliorated.

Federally built local flood protection projects are also needed. I can think of none which would protect more lives, homes, and jobs than that on Turtle Creek just outside Pittsburgh.

In addition to protecting the many homes and people residing in Wilmerding, East Pittsburgh, and Turtle Creek, this project will serve as a bulwark against

flooding in the giant plants of Westinghouse Electric, United States Steel, the Westinghouse Air Brake Co., and the Pennsylvania Railroad.

Sufficient money has now been appropriated to complete the planning of the first stages in this project. I ask the committee to allocate sufficient funds to complete the design memorandum as soon as possible. I am informed that for budgeting and engineering reasons, the Corps of Engineers prefers such a procedure and it will, of course, reduce the time in which our people in that area will be without adequate protection from floods. I may say from personal experience that these communities are subject constantly to the recurring threat of flood. It is of some considerable interest to note, therefore, that a dredging project by our own department of forests and waters has paid for itself several times over in damages prevented since it was completed a year or two ago.

You may have noted, Mr. Chairman, that our city of Meadville on French Creek in northwestern Pennsylvania was once again flooded. This has been the second time in little more than a year that French Creek has overflowed its banks. The Corps of Engineers is now continuing preliminary studies to determine the best flood control plan for Meadville. Since their students undoubtedly indicate that a flood protection project on French Creek will be required, I respectfully request that you appropriate sufficient funds to begin the actual design of such a project.

I would like to mention, in closing, a navigation project of great importance to us in Pennsylvania. We have been delighted to see the port of Philadelphia grow during recent years into the Nation's leading port for imports. For instance, from 1949 to 1959, shipping calling at the port of Philadelphia has increased by 75 percent, reaching a 1959 total of approximately 100 million tons.

As the District Engineer for the Corps of Engineers has reported, the large increase in Delaware River shipping in recent years has resulted in serious congestion in existing anchorage areas. Consequently the corps has recommended a series of four improved anchorages spaced at distances ranging from 9 to 16 miles along a 55-mile reach of the Delaware River. These anchorages are essential in order to keep the main channel clear and thus avoid the danger of collision. I can think of no navigation project in the United States which commends itself more strongly to your support than this one. It is my earnest recommendation, therefore, that although the Bureau of the Budget has not included funds for the start of the project this year, you appropriate sufficient money in this appropriation bill to complete at least the planning of the anchorages. I guarantee that they will repay their costs in use. The District Engineer in Philadelphia estimates that during the lifetime of the project there will be an increase of approximately 1,430 trips in the average annual traffic of deep draft vessels.

Dr. GODDARD. I believe I can review very briefly our comments.

First, we want to be recorded as being in agreement with the U.S. Corps of Engineers' plan. They have constructed many projects in Pennsylvania over the years and we have found them to be properly constructed and to function very well, as they did in the last flood period.

We have for many years had serious flooding in our western Pennsylvania basins. The Allegheny River Reservoir is the key reservoir to a balanced flood control system for the Allegheny and Ohio Basins. It contains the flood flow of about 21,000 acres, so it is not just a Pennsylvania project but a project for all the other States downstream to the Mississippi.

We have had a very fine coordination of efforts with the U.S. Forest Service, because a good deal of the land is owned by the U.S. Forest Service, by the Corps of Engineers, the Federal Bureau of Public Roads, the Pennsylvania Department of Highways, and the Pennsylvania Department of Forests and Waters, in the relocation of highways in order to insure the maximum use of the reservoir for recreation. The U.S. Forest Service has a very fine plan of development of this reservoir.

I should like to point out to the committee that on February 9 of this year we awarded a contract—that is, the Pennsylvania Department of Highways did—for approximately $1,440,000 to relocate the first section of the road around the damsite. This is now under construction, and I think it indicates the willingness on the part of the Commonwealth of Pennsylvania to accept its responsibilities in regard to the reservoir.

As relates to the alternate plans, there is one plan proposed that diverts water from the Allegheny Basin into Lake Erie. The Commonwealth of Pennsylvania would not be willing to see water diverted from the Allegheny Basin into Lake Erie. We feel we need these waters in the Allegheny River system. We do not want water diverted out of our river system. As you no doubt know, we had a case involving this question in New York, and the court ruled in this case.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. Back on the record.

Proceed.

Dr. GODDARD. In view of these arguments and facts we urge that the President's request for $4.5 million as included in the budget be authorized for the Allegheny project.

Very briefly commenting on the other statement prepared on behalf of Governor Lawrence, he presents about five basic problems:

First, he is in complete agreement with the Allegheny River Reservoir plan and he wants it to go ahead. As you know, in the past few weeks we came to flood stage at Warren, were over flood stage at Parker's Landing, and were over flood stage at Pittsburgh, and it was only because of the very fine work of the Corps of Engineers that a calamity was prevented on the Allegheny River. With this project completed we would have had practically no flooding in that area.

There are four other points made on behalf of Governor Lawrence.

One is the Curwensville Reservoir on the West Branch of the Susquehanna. We would like to proceed with that as a start.

The Governor urges strong support for the project on Turtle Creek; for the speeding up of a flood protection project on French Creek for the protection of Meadville; and for improved anchorages on the Delaware River.

In conclusion, I know I speak for the Governor when I say we are grateful to the Congress of the United States for their fine support over the years, because the record of the last few weeks shows we did not suffer except at Meadville and other places serious flooding in Pennsylvania and that was only because of the levee systems built on all the main stems of our rivers and the reservoirs. So the projects already constructed have proved their value. They are functioning. We want to see more of this very fine effort pushed for the good of not only our own State but for the Nation.

Thank you.

Mr. CANNON. Thank you, Dr. Goddard.

Off the record.

(Discussion off the record.)

Mr. CANNON. Mr. Gavin.

Mr. GAVIN. Mr. Chairman, Congressman Moorhead would like to make a brief statement.

Mr. CANNON. Congressman Moorhead, we are glad to have you with us this morning. Will you proceed with your statement?

STATEMENT OF REPRESENTATIVE WILLIAM S. MOORHEAD, PENNSYLVANIA

Mr. MOORHEAD. Mr. Chairman, floods once again are threatening the miles of watersheds in the Allegheny, Ohio, and Mississippi Valleys, demonstrating the need for completing our protective network of flood control projects as rapidly as possible.

We have made a start on the Allegheny River Reservoir at Kinzua. I certainly hope that nothing will be permitted to stop that start that has been made for complete flood control protection for the city of Pittsburgh and other communities downstream from the Allegheny River Reservoir.

We were very fortunate this year that the accumulation of snow in the mountains near the headwaters of the Allegheny was taken down by a normal thaw without heavy rains. If there had been heavy rains we would have had more serious flood damage to Pittsburgh.

Mr. Chairman, I have a brief statement I would like to submit for the record.

Mr. CANNON. Your statement will be included in the record at this point.

(The statement follows:)

Mr. Chairman, floods once again threatening the miles of watersheds in the Allegheny, Ohio, and Mississippi Valleys demonstrate the needs for completing our protective network of flood control projects as rapidly as possible.

The latest principal project remaining to be compelted in western Pennsylvania and by far the most important for the Allegheny River Valley is the Allegheny River Reservoir at Kinzua.

Heavy snow and ice accumulated in mountains near the headwaters of the Allegheny have already caused some damage in this spring's thaw. By a vagary of nature this thaw in the upper reaches of the valley was not accompanied by heavy rain as was the case in many other sections of the country more severely damaged by floods this year.

Spring showers in western Pennsylvania would have meant more millions of dollars in flood damage. Even with showers, much of this damage could be prevented with the Kinzua Dam in operation.

Yet, even in this year of floods, the already approved project is opposed again. The flood threat and the bickering, in fact, epitomize in one season the decades-long history of floods, damage, and death; of hopes, plans, and progress which have brought Kinzua to the point where real construction progress can be made.

You have heard all the conflicting statements and expressions of professional and philosophical views year after year until they must sound to you like a broken record.

Meanwhile, people suffer, water storage remains inadequate, and the valley is not developed to its fullest residential and industrial potentials.

The overpowering fact is that we now have a project ready to go after much sober review and study. It has taken us 20 years to get this far. We cannot afford to wait 20 years more.

Mr. CANNON. Mr. Gavin.

Mr. GAVIN. Mr. Chairman, Congressman Holland would like to make a brief statement to the committee.

Mr. CANNON. Congressman Holland, we are glad to have you here this morning and you may proceed with your statement.

STATEMENT OF REPRESENTATIVE ELMER J. HOLLAND, PENNSYLVANIA

Mr. HOLLAND. Mr. Chairmaan and members of the committee, I have been acquainted with the necessity for the early completion of the Allegheny Reservoir—commonly known as the Kinzua Dam—for many years. I was a member of the House of Representatives for the Commonwealth of Pennsylvania when the flood control program for the entire State of Pennsylvania was recommended.

In our attempt to harness the waters and stop the costs of floods each year, the Allegheny Reservoir played a very important part as its was one of the keys to the control of the floodwaters of our State.

I cannot urge too strongly to the members of the Appropriations Committee the seriousness of our problem and the necessity for appropriating moneys for the erection of this dam—the key reservoir in the flood control system for the western Pennsylvania area.

You are well acquainted with the damages done to life, property, and industry in our State. This appropriation, I am sure, will do much to wipe out the losses due to floods in Pennsylvania.

On the part of the delegation in Congress from Pennsylvania, I urge the support of the $4,500,000 appropriation.

Mr. CANNON. Thank you, Mr. Holland.

STATEMENT OF REPRESENTATIVE JOHN H. DENT, PENNSYLVANIA

Mr. GAVIN. Mr. Chairman, I also ask consent to place in the record a statement by Congressman Dent, who unfortunately was unable to be here.

Mr. CANNON. It will be made a part of the record at this point.

(The statement follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 12, 1960.

CHAIRMAN,
House Appropriations Committee.

MR. CHAIRMAN: I would appreciate it if you will add my support to those already assembled there in behalf of the appropriation for the Kinzua Dam. Due to an arthritic attack, it is difficult for me to attend meetings and especially when I have my own subcommittee meeting this morning running the same time as your meeting.

I have in the past given my detailed observations and reasons for support of this appropriation. They are contained in both the records of your committee and the records of the House.

Sufficient to say that with the coming of the spring season, the renewed threats of disastrous floods in this region, it is of even greater importance at this moment to give serious and favorable consideration to the needs and the appropriation for this project.

Sincerely yours,

JOHN H. DENT,
Member of Congress.

STATEMENT OF REPRESENTATIVE JAMES G. FULTON, PENNSYLVANIA

Mr. GAVIN. Mr. Chairman, Congressman Fulton, who had to attend another committee meeting this morning, would like to submit a statement in support of the Allegheny River Reservoir.

Mr. CANNON. The statement will be made a part of the record at this point.

(The statement follows:)

STATEMENT BY HON. JAMES G. FULTON, REPRESENTATIVE FROM PENNSYLVANIA

Mr. Chairman, it is a pleasure to make this statement before the Public Works Subcommittee of the Appropriations Committee in support of the Allegheny River Reservoir project, along with my colleagues from the Congress and so many distinguished Pennsylvanians under the leadership of my good friend and colleague, Leon Gavin.

It is necessary, once again, to urge that the necessary appropriations be allocated for the Allegheny River Reservoir, so that this worthwhile project may be completed in the near future.

This project is needed to provide necessary flood protection to the people and the industry of the Allegheny River Valley, and to prevent the widespread loss and damage caused by floods which has again happened this year.

Flood control measures have been one of the key factors in the revitalization of the Pittsburgh area. The completion of the Allegheny River Reservoir will mean much to the future development and health of the Greater Pittsburgh area and the western Pennsylvania area in general.

The flood control problem is not a local problem by any means. The industrial complex located all along the Allegheny River Valley is vital to the national defense and welfare, and because of its link with the Ohio River and ultimately the Mississippi, is important to several States along with Pennsylvania.

The most forward step we can take to eliminate the devastating and destructive floods which occur periodically in the Allegheny River Valley, is the completion of this worthy project.

Mr. GAVIN. At this time I would like to introduce Congressman Clark, who would like to make a brief statement.

Mr. CANNON. Congressman Clark, we are glad to have you with us this morning. You may proceed with your statement.

STATEMENT OF REPRESENTATIVE FRANK M. CLARK, PENNSYLVANIA

Mr. CLARK. Mr. Chairman, I am to appear at 10:55 for my own project in my district, but I want to go on record at this time as being for this project and wholeheartedly supporting it, and I hope the Appropriations Committee will see fit to grant the request for this project.

Mr. CANNON. We appreciate your statement, Congressman Clark.

Mr. GAVIN. Mr. Chairman, at this time I would like to introduce Mr. Merle W. Kremer, who is the president of the Flood Control Committee of Warren County, Pa.

Mr. CANNON. Mr. Kremer, we are glad to have you here. Proceed with your statement.

STATEMENT OF MR. MERLE W. KREMER

Mr. KREMER. Thank you, Mr. Chairman and gentlemen.

I am president of the Warren area chamber of commerce. Last year I had the job of trying to get together the interested parties and their thinking in regard to this reservoir. At that time we brought down about 30 people as well as resolutions from various organizations throughout Warren County that represented, in our estimation, 98 percent of all the people in the area in support of this project.

The big concern in the minds of the people over there has been that this project has been underway some 20-odd years and due to some alternate plan studies time keeps going on and we keep getting severe floods. So we feel we are trapped in the middle of this whole situation and I am sure the people up there feel now that we would like

to see speedy action to continue the project and fulfill the project as the Army Engineers have proposed it.

Mr. CANNON. Has the delay been to faulty planning or faulty administration? Why this long delay? Twenty years should be ample for any system of water control.

Mr. KREMER. It is our opinion that the interests of the Indians held the thing up a considerable length of time. We were very hopeful that when the litigation was completed last year that would take out the last barrier that seemed to be the major factor in holding this whole thing up.

Mr. CANNON. For the record, what was the result of the litigation?

Mr. KREMER. The courts ruled that the Congress could take the land from the Indians. They were basing their case on the treaty of 1895, and it is our position they are now citizens the same as we are and that their land should be subject to confiscation, if necessary, to fulfill a project for the good of more people.

Mr. CANNON. And that was the judgment of the court?

Mr. KREMER. As I understand it.

Mr. CANNON. Thank you, Mr. Kremer.

Mr. GAVIN. Mr. Chairman, the chairman of the county commissioners of Warren County, Mr. Mead, would like to say a few words.

Mr. CANNON. Commissioner Mead, we will be glad to have you proceed with your statement.

STATEMENT OF MR. BLAIN MEAD

Mr. MEAD. Mr. Chairman and members of the committee, my name is Blain Mead of Warren, Pa. I am chairman of the county commissioners of Warren County, Pa.

The people of Warren County appreciate this opportunity to present their views before your committee.

For the past 25 years or more, the Kinzua Dam project has been under consideration and during these years the communities adjacent to the Allegheny River have suffered flood loss. We believe that the backers of Dr. Morgan have had ample time during these years to come up with alternate proposals without waiting until this late date to request an additional alternate study. We also believe that there is but one reason for these delaying tactics; namely, that additional economic benefits of the reservoir have suddenly become apparent. These economic benefits are in addition to flood control and streamflow augmentation and the principal one is recreation.

Because of the favorable local attitude, the Warren County Development Association hired Arthur D. Little, Inc., to survey the recreation potential of Warren County and in particular the Allegheny Reservoir. I would like to quote just one paragraph from this report.

But whatever the community's attitude or expectations, there is a clearcut evidence that the Warren area will become known to an increasing number of vacationists as the public recreational resources are fully developed. The dam the reservoir, the national forest, and the peaceful rural environment within which they are located are the area's most valuable attractions for tourists. Whether this potential develops into a vacation industry from which the area will derive substantial profit depends on the interest and the enthusiasm with which the people of Warren County approach this challenge. This report sug-

gests several ways in which the area's attractiveness to the tourist can be enhanced. Enthusiasm and action cannot be effective, however, without first meeting one basic requirement—organization.

Because of the favorable report received from Arthur D. Little, Inc., the county commissioners authorized the establishment of a county planning commission with a paid county planner. The chamber of commerce and the County Development Association are also continuing their studies and plans for this area and are enthusiastic concerning the reservoir's recreation potential.

The above organizations, as well as a large majority of private individuals, favor the construction of the dam and hope that no further postponements will be considered by this committee.

The Warren County Commissioners wholeheartedly endorse the early construction of this dam and recommend to the committee that favorable legislation be recommended to Congress.

Mr. CANNON. Thank you, Commissioner Mead.

Mr. GAVIN. Mr. Chairman, Mr. Langdon is here from Warren County.

Mr. CANNON. Mr. Langdon, we will be glad to hear you.

STATEMENT OF MR. ARTHUR L. LANGDON

Mr. LANGDON. Mr. Chairman and members of the committee, I am Arthur L. Langdon, mayor of Warren Borough, Warren, Pa.

There have been volumes written and delay after delay in regard to this Allegheny River Reservoir. I represent thousands of people in the Allegheny Valley in and around Warren County that live in fear. It was only by the grace of God that a most disastrous flood was prevented this spring. We had 3 or 4 days of warm sunshine that resulted in taking off the snow. The river at Warren was up to 13.95 feet. Fourteen feet is the flood stage. If those 3 or 4 days had been rain, we would have had a most disastrous flood all the way down to Pittsburgh. We could easily have had 19 to 20 feet of water.

I hope this committee will see fit to sit out any selfish interests there may be in connection with this proposition, and I sincerely hope this appropriation will be granted so that a flood-weary people will have relief without further delay.

Mr. CANNON. Thank you, Mr. Langdon.

CONEWANGO VALLEY

Mr. GAVIN. Mr. Chairman, I notice in the Salamanca Republican Press of April 7 at the end of a story appearing on the first page this statement:

> Another proposal, which would improve the Conewango Valley instead of using it for a flood basin, was approved Wednesday by the House and Senate Agriculture Committees. It is the Conewango Valley watershed.

It was approved at a cost of $3.8 million, of which $2.2 million would be the Federal share.

Mr. BOLAND. We will not need that, then?

Mr. GAVIN. I am merely saying the House and Senate Agricultural Committees have already approved it on Wednesday—this is the date, April 7.

If you will give us a bit of additional time, not much, I want to call your attention to a letter received from the U.S. Department of Commerce, Weather Bureau. I will read it rather rapidly, but I do think it is important for you to hear it.

(Thereupon, the following letter was read by Mr. Gavin:)

U.S. DEPARTMENT OF COMMERCE, WEATHER BUREAU,
Pittsburgh, Pa., February 12, 1960.

Hon. L. H. GAVIN,
House of Representatives,
Washington, D.C.

DEAR MR. GAVIN: Relative to your telephone inquiry of Vernon T. Houghton, Jr., of this office on February 11, 1960, concerning flood losses in the Pittsburgh River district during the January 21–25, 1959, flood, the following information is furnished for your use. It should be noted that the flood damages in our report were obtained by analyzing questionnaires received from local officials of various communities and augmented by personal field visits to flooded areas to observe and to discuss damages with local, company, and State officials. The savings values were obtained in a similar manner.

In the entire Pittsburgh River district, the total damages amounted to $27,821,856. Damage to private, industrial, and commercial property amounted to $11,224,114 or about 40 percent of the total damages reported. Of the total, $9,897,012 occurred in the Allegheny River Basin and $17,924,844 in the upper Ohio River Basin between Pittsburgh, Pa., and dam 13, McMechen, W. Va., which includes principal tributaries such as the Beaver, Shenango, and Mahoning Rivers. No damages occurred in the Monongahela River Basin. This flood was one of the most destructive floods of record in this river district with 10,900 dwellings flooded and 1 loss of life. The dollar value of property saved by action taken on receipt of flood warnings and forecasts issued by this office was $15,405,900.

In the State of Pennsylvania alone, flood losses amounted to $18,082,199 or 65 percent of the total damages for the entire river district. Total number of dwellings flooded in Pennsylvania was 5,573. Savings in Pennsylvania due to receipt of flood warnings amounted to $10,847,400.

We hope that the above information meets your needs and that it will serve a useful purpose in bringing to the public's attention the importance and seriousness of floods.

Very truly yours,

HENRY ROCKWOOD,
Meteorologist in Charge.

Mr. GAVIN. At this time, I would like to call on my very good and able friend, Representative Flood of Pennsylvania.

Mr. CANNON. Congressman Flood is a member of this committee, and we will be glad to hear from him at this time.

STATEMENT OF REPRESENTATIVE DANIEL J. FLOOD, PENNSYLVANIA

Mr. FLOOD. I am here to lend my support to the eloquence and earnestness of my friend from Pennsylvania, Mr. Gavin. For me to attempt to improve on that eloquence and earnestness would be gilding the lily. I simply give my support to him.

Mr. CANNON. Thank you, Mr. Flood and Mr. Gavin.

Mr. GAVIN. I want to thank the committee for their patience in listening to our testimony and I hope they will follow the recommendation of the Corps of Engineers and the Bureau of the Budget and recommend $4.5 million for this project.

TUESDAY, APRIL 12, 1960.

WILKES-BARRE FLOOD CONTROL

WITNESS

HON. DANIEL J. FLOOD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. CANNON. Congressman Flood of Pennsylvania.

Congressman Flood is a member of this committee. We will be glad to listen to him at this time.

Mr. FLOOD. Mr. Chairman, I want to talk to you about a project which General Itschner of the Army Engineers told me and a group of people in Wilkes-Barre was one of the most difficult he has ever encountered. At a meeting called by me and attended by General Itschner and Mr. Ankeny, the Director of the Bureau of Mines, a rather unusual combination, General Itschner advised me that the project I am talking about now is the most complicated and the most difficult he has ever experienced since he has been with the Army Engineers or since he has been an engineer.

You have, on your subcommittee, Dr. Fenton and Mike Kirwan who know about the difficulties of the problem. Dr. Fenton has gone through this for many years in his district. Mike Kirwan was born and raised in the middle of where the problem is.

The picture you see there was delivered this morning where the truck drove down the river and disappeared a hop, skip, and jump from where Congressman Kirwan was born. I drive along there every week.

Across the river, four children nearly drowned on Sunday because of water seepage up from below, a problem it would be difficult for you to understand. A great lake is forming with water seeping up from below because of vast pressures from underneath.

You may wonder what we are doing with the Army Engineers; why is this not in the Bureau of Mines Subcommittee? Well, this no longer, to our amazement—and this we never knew until last month—is concerned with mining problems at all. As you remember, in the investigations conducted several years ago, there was discovered underneath this great Wyoming Valley a vast wide glacial bed. There is a vast glacial stream underneath the Pennsylvania coalfield and on top of that are the coalfields. The city of Wilkes-Barre, with 100,000 population—by the way, this affects about 40 miles and ¾ million people live in this area. It is a densely populated anthracite area.

In the last few days, two of our great churches have been seriously damaged, plus convents and a high school. A two-story apartment building collapsed as though hit by an atom bomb. The streets opened in a great void as though it were an earthquake. We thought in that area a mine must have caved in, but it had not. There is a subterranean glacial stream, and the reason we could not understand the situation in the streets of Wilkes-Barre is there is no mining under these areas. We thought that was an act of God or the common enemy. God knows we had trouble enough, but now we had glacial streams

and with the great floods of last week we had 12 feet of water above flood level in the Susquehanna. Thank God the dikes you put there saved the city and saved the entire area. You kept our feet dry in the city because you built those dikes, and should you ever look for another reason for your existence besides the project you put in Dr. Fenton's valley, the dikes you put in the Susquehanna justify your existence.

This, gentlemen, is something we do not know what to do with. We need a study. As a member of your committee I have the same low opinion about supplementals that you have, but I come to you on this because the emergency has arisen since the Army Engineers testified before you here. I asked them to come up there and they came. You can imagine when you get General Itschner and Mr. Ankeny to go out of town personally to observe these things you have a fantastic problem. In 1959 you know what a shellacking we took from Hurricane Diane. Now this you will not believe. The Susquehanna River broke through its bottom to the mines and we had 40 billion gallons of water in a few days. Twelve miners were drowned. It destroyed millions and millions of dollars of property. We do not know how much. It closed two of the five mines we had; 3,200 men are permanently out of work. Two of our great mines were closed and abandoned and the men thrown out of work in a matter of hours and 12 men were drowned.

The Army Engineers say if this continues—mark you, we have a year and a half the way this water is coming in, and if something is not done—God knows what can be done; the Engineers do not know, nobody knows what can be done. Maybe nothing can be done. If you make this study maybe it will not be any good. We do not know. There is nothing like this in the world, nothing like it in the world that we know of.

So we want to study it. The Army Engineers are in command. They cannot do this. They do not have the engineers to do this kind of work. They want to make use of the Bureau of Mines. The Bureau of Mines in turn wants to use geologists of the Geological Survey.

There are nearly 1 million people in the vicinity of this area. It is on the threshold of the Nation's Capital. There are hundreds of millions of tons of anthracite coal that may be inundated and abandoned and lost to our natural resources forever.

I want to say I am understating this case. I am in a hurry and am understating it. I want a study. The Army Engineers, with the Bureau of Mines, have estimated the cost of a study. Because of what has happened in the past 30 days the need has doubled. Whether they need all this money in 1 year, I do not know.

Mr. BOLAND. What was the amount they were asking for?

Mr. FLOOD. $495,000, but I do not know if they will need that in 1 year. In the original report they said the study would take 2 years. If it will take 2 years maybe they do not need it all in 1 year.

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. Congressman Flood, you have stated that 12 men lost their lives.

Mr. FLOOD. Yes, Dr. Fenton.

Mr. FENTON. It would be important for the committee to know that those 12 bodies are still there. They have never recovered the bodies.

Mr. FLOOD. Probably never will, Doctor.

Mr. FENTON. They have that condition all through the anthracite area. I do not know under whose jurisdiction this will come.

Mr. FLOOD. It should be the Engineers now. It is a flood problem and no longer a mining problem.

Mr. FENTON. There have been some underground studies made.

Mr. FLOOD. All of that information will be used.

By the way, the State of Pennsylvania has spent $3 million on this problem with no Federal help at all.

Mr. CANNON. I can understand your anxiety with this difficult problem.

TUESDAY, APRIL 12, 1960.

FLOOD CONTROL AND OTHER PUBLIC WORKS PROJECTS IN PENNSYLVANIA

WITNESS

HON. HUGH SCOTT, U.S. SENATOR FROM THE STATE OF PENNSYLVANIA

Mr. CANNON. Senator Scott, of Pennsylvania, is present and we shall be very glad to hear from you at this time, Senator.

Senator SCOTT. I will be very brief. I will submit a statement and simply mention the highlights.

Mr. Chairman, I appear in behalf of flood control and other public works projects in the Commonwealth of Pennsylvania.

First, in regard to what Mr. Flood has said, I agree with it and I underscore it. I have discussed this situation with Representative Flood. I have testified on the same subject and these other subjects this morning before the Appropriations Committee of the Senate. Chairman Ellender has indicated he will consider further the questions raised here by Mr. Flood and by myself.

As Mr. Flood said, this is a new problem. There is evidence now which was not available before as to the cause of mine subsidence and underground flooding and this will be further investigated by the Senate committee.

As to the Allegheny River Reservoir and Kinzua Dam, I support what Congressman Gavin and other witnesses have said.

And on French Creek and Turtle Creek and the Delaware River channel deepening and anchorages, I can only say I support the budget items for all of those projects.

Mr. CANNON. Thank you, Senator Scott. Your statement will be included in the record at this point.

(The statement follows:)

Mr. Chairman, I appreciate very much this opportunity to appear before your committee in behalf of flood control and other public works projects in the Commonwealth of Pennsylvania.

The budget requests for Pennsylvania projects for fiscal 1961 indicate substantial progress is being made, with one possible exception and one emergency situation which I will mention later in my statement.

Therefore, I am here today to support all of the budget items, although I will concentrate upon those projects which call for special attention.

ALLEGHENY RIVER RESERVOIR (KINZUA)

Every year at appropriation time there arises with the spring floods in the Allegheny River Basin a certain disturbance known as "opposition to the location of the Kinzua Dam."

It takes the form of publicity in leading newspapers and statements by paid consultants representing the Seneca Indians.

Recently on the floor of the Senate, my colleague, the senior Senator from Pennsylvania and I entered into a colloquy on the selection of Kinzua Dam which we hoped would forever dissipate the emotional reactions inspired by this opposition.

I do not want to burden the record with this material mimeographed copies are available for the members should they wish them. It contains a quotation from this committee's report of last year, which, in my opinion, was the best answer we could offer.

As the committee knows, the site at Kinzua has been reviewed and re-reviewed over a period of 20 years. Alternate sites have been considered ad infinitum. The Congress has authorized and appropriated $4,098,000 for the project to date, and construction was actually started last year. The pending appropriation is for the modest sum of $4.5 million in construction funds.

There is no question of abrogation of a treaty with the Seneca Indians. They are citizens of the United States and subject to the law of eminent domain. Only a very few Indians live within the area to be used for the dam, and for the most part the Senecas are successful businessmen and farmers, who will be greatly benefited by the improvements and recreational possibilities to be brought about by the dam.

As a matter of fact, the Senecas own a great deal of land in the Conewango Valley under the same treaty of 1794, but they have no objection to that land being taken over under a plan that would cost at least one-third more than the Kinzua site, and result in the loss of more land, homes, and businesses. Furthermore, it would divert water from Pennsylvania into Lake Erie—creating a new set of problems with the State, plus international complications.

It is my earnest hope that the committee will again place this matter in its proper perspective. This project is moving ahead after years of delay, and is vital for control of the upper waters of the Allegheny River.

FRENCH CREEK

On French Creek, a tributary of the Allegheny River is another project which has been delayed over the years. The area in the vicinity of Meadville and down to Franklin was the scene of serious damage in the floods of January 1959. The committee will remember the delegation from Meadville which came before you last year urging a stepped-up flood control program.

It has been difficult to explain to the people of Meadville, Franklin, and surrounding cities that this project is being resurveyed and it will be some time before the approved plan can reach construction stage.

It is unfortunate, that in years past, an approved plan for a French Creek Reservoir at the Cambridge Springs site was objected to by the community and set aside for further study.

New survey money has been made available, and according to the Engineers the survey can be completed this year.

The $25,000 in the present budget is sufficient for this purpose, but my request is that it be expedited so the new plan—which is expected to take the form of

several smaller reservoirs and local protection—may be presented to the Congress for authorization at the earliest possible moment.

TURTLE CREEK

It is my understanding that a delegation from the Turtle Creek area is appearing before the House Appropriations Committee today, and may appear before this committee at a later time.

There are serious economic as well as flood control considerations on this project. Turtle Creek is bounded by heavy industries, and repeated flooding of industrial properties has cost millions. Modernization and expansion of plant construction is at a standstill.

I do not need to tell the committee of the employment lag in the Pittsburgh area, or, in fact, in a number of western Pennsylvania cities. Threats of continued floods, year after year, will not only prevent attraction of job opportunities, but will certainly cause the shifting of plants and consequent unemployment of thousands.

Encouragement to offset this threat would be a stepup in preconstruction planning. The pending appropriation contains $150,000 to complete preliminary planning on the project. We have been assured this is sufficient to complete this phase. However, the Corps of Engineers has a 2-year schedule of preconstruction planning to follow, which would delay flood control construction until probably 1963.

It is my plea that the Corps of Engineers be requested to telescope their preconstruction planning into 1 year, so that it could be completed in fiscal 1962. I realize this is getting 1 year ahead of the committee's present considerations, but I hope to have some indication from the Engineers that this could be accomplished.

The problem is a real and continuing one. If this project can be expedited, I am sure it will be a great encouragement to business, and to the workingman and his family in Turtle Creek Valley.

EFFECT OF MINE SUBSIDENCE UPON LOCAL FLOOD PROTECTION IN THE WYOMING VALLEY

It has recently been brought to my attention that the Corps of Engineers has been asked to estimate the cost of expanding a study of surface flooding upon mine subsidence—to include further investigation of the effect of mine subsidence upon the levee system along the Susquehanna, from Nanticoke to Pittston, Pa.

The surface flooding study is underway by the Bureau of Mines, and $495,000 would be required by both the Engineers and the Bureau for the expanded study.

The committee has received a copy of a letter from General Itschner, dated April 4, which supports this estimate and says that the work could be undertaken to advantage.

The entire Wyoming Valley which faces upon the Susquehanna, is pockmarked with abandoned anthracite mines. It is very much like sitting on top of a volcano, not knowing when it is going to erupt and toss you into the sea. The cities of Wilkes-Barre, Forty-Fort, Swoyersville, and Pittston are constantly experiencing subsidence incidents—with whole sections of the cities threatened.

Last October I witnessed a subsidence of disaster proportions at Forty-Fort—and after consultation with the Bureau of Mines was more than ever convinced it is a matter for Federal investigation.

No one knows what causes subsidence in this area adjacent to the Susquehanna. The system of levees constructed by the Corps of Engineers are constantly being repaired, as the levees sink below safety level. There is inference that the pressure of water from without, either by surface flooding waters of the Susquehanna or by subterranean seepage causes the subsidence.

Certainly we invite major disaster by ignoring or neglecting the flooding aspects, and I wish to add my support to that of Congressman Daniel Flood, who represents the district, in behalf of an appropriation to determine what remedial action is necessary.

DELAWARE RIVER CHANNEL DEEPENING AND ANCHORAGES

Emphasis in this year's presentation is upon the need for an initial appropriation for four Delaware River anchorages authorized in 1958. A very complete

presentation on this will be made by Mr. Harry G. Schad, chairman of the Executive Committee for Improvement and Development of the Philadelphia Port Area.

The approved project calls for enlarging the existing Mantua Creek and Marcus Hook anchorages and construction of new anchorages at Deepwater Point and Reedy Point.

To date no funds, except $42,000 for preauthorization studies, have been appropriated. These anchorages are needed to afford anchorage space at the many terminals and refineries in the area. Enlargement of Mantua Creek and Marcus Hook anchorages will allow larger vessels to swing at anchor without endangering traffic passing in the channel. Marcus Hook is used not only by tankers consigned to nearby refineries, but also by vessels awaiting quarantine inspection.

An estimate requested from the district engineer at Philadelphia indicates that "from the strictly engineering viewpoint, considering each project by itself without reference to our overall program, etc., an amount of $300,000 could be utilized." The district engineer's report (dated June 17, 1955), the basic document in the authorization procedure, recommended an initial allotment of $3 million would be desirable.

I am quite sure that an appropriation of $300,000 to initiate work on this anchorage expansion can be economically used in the forthcoming fiscal year, and I urge the committee's consideration.

Mr. Chairman, I thank the committee for the time granted to me.

TUESDAY, APRIL 12, 1960.

TURTLE CREEK, PA.

WITNESSES

HON. ELMER J. HOLLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. JOHN H. DENT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
HON. MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATERS, COMMONWEALTH OF PENNSYLVANIA
L. W. WHISNER, CHAIRMAN, TURTLE CREEK VALLEY FLOOD CONTROL AUTHORITY
JOHN EVAK, COUNCILMAN, TURTLE CREEK BOROUGH
RAYMOND KASKIN, MEMBER, WILMERDING BOROUGH COUNCIL
PAUL CARMICHAEL, PRESIDENT, LOCAL 601, INTERNATIONAL UNION OF ELECTRICAL, RADIO, & MACHINE WORKERS, AFL–CIO
THOMAS F. SULLIVAN, BUSINESS AGENT OF LOCAL 601
FRANCIS X. McTIERNAN, VICE PRESIDENT, ASSOCIATION OF WESTINGHOUSE SALARIED WORKERS
DAVID HARPER, PRESIDENT, TURTLE CREEK CHAMBER OF COMMERCE
PATRICK CUSICK, PITTSBURGH REGIONAL PLANNING ASSOCIATION
ROSS NESE, PRESIDENT, EAST PITTSBURGH BOROUGH COUNCIL

Mr. CANNON. The next project is the Turtle Creek project in which Congressman Holland of Pennsylvania is interested.

Congressman Holland, we shall be glad to hear from you at this time.

Mr. HOLLAND. Mr. Chairman and members of the committee, I appear before you as the representative of the most highly industrialized congressional district in Pennsylvania and also the most highly damaged by floodwaters, due to the location of the industries along our waterways.

Turtle Creek Valley has long been noted for its utter disregard of both individuals and industry and, with every spring, fears arise that the waters will again inundate the surrounding property and personal belongings will be lost as well as millions of dollars of machinery. Employment will be discontinued and the economy of the whole valley will suffer.

The budget this year specifies that $150,000 will be requested for the continuation of the present Turtle Creek Valley program and, while we are glad that this program is to be continued, we would like to ask for a larger appropriation so that the completion of the work could be accelerated. The budget contemplates the need for an additional $331,000 for construction planning after June 30, 1961. This budgetary schedule would permit the Corps of Engineers to begin actual construction late in the calendar year of 1962, which actually would be the fiscal year ending June 30, 1963. We would like to impress upon you the urgency for providing enough advance planning money in fiscal year 1961 to permit some of the construction work to begin the following year. I would not hesitate to say that the losses suffered by the workers, the companies, and the merchants in the past years would have more than paid for this program.

I appreciate the chance to tell you about our flood problem. It is an old story to your comittee as I have told it to you many times. However, I would like to refresh your minds about it with this statement I am submitting for your record.

I am also submitting, for your record, a list containing names of both individuals and organizations that have written me concerning the seriousness of this flood problem.

(The material referred to is as follows:)

LIST OF ORGANIZATIONS REQUESTING APPROPRIATIONS FOR TURTLE CREEK, PA., FLOOD CONTROL PROJECT

RESOLUTIONS

Board of Commissioners, Wilkins Township, Turtle Creek.
Turtle Creek Fire Department No. 1, Turtle Creek.
Lions Club of Forest Hills, Forest Hills, Pittsburgh.
East Suburban Multilist Brokers, Wilkinsburg, Pittsburgh.
Loyal Order of Moose, East Pittsburgh Lodge No. 1192, East Pittsburgh.

LETTERS

The Junior Woman's Club, Turtle Creek.
Dames of Malta, Cyprus Sisterhood No. 65, Turtle Creek.
The American Legion, Post No. 640, Turtle Creek.
American Legion Auxiliary, Turtle Creek Unit No. 640, Turtle Creek.
Manager, Mellon National Bank & Trust Co., East Pittsburgh.
Turtle Creek Ministerial Association, Turtle Creek.
Business & Professional Women's Club, Turtle Creek.
East Pittsburgh Businessmen's Association, East Pittsburgh.

RESOLUTION 361-60

A resolution of the township of Wilkins, county of Allegheny, Commonwealth of Pennsylvania, requesting the Congress of the United States for action to relieve and prevent floods in the Turtle Creek Valley, Allegheny County, Pa.

Whereas the township of Wilkins is located in the Turtle Creek Valley geographic and economic area; and

Whereas major floods periodically inundate the Turtle Creek Valley resulting in millions of dollars of loss in property damage; and discouraging new industrial expansion, and severely curtailing existing business and economic growth, and above all causing great and unnecessary misery, illness and loss of life to the citizens of this community; and

Whereas it appears that prompt and decisive action by the Congress of the United States is necessary to prevent a recurrence of another catastrophe; and

Whereas it is true that the cost of flood control for the Turtle Creek Valley is small compared to the human suffering and economic losses which will be incurred: Now, therefore be it

Resolved, That the Board of Commissioners of Wilkins Township, Allegheny County, Pa., hereby requests the Congress of the United States to alleviate and prevent the evils of floods in the Turtle Creek Valley by prompt appropriation of the funds necessary to begin construction of a flood control project for protection of the Turtle Creek Valley of Allegheny County, Pa.

BOARD OF COMMISSIONERS
OF WILKINS TOWNSHIP,
RICHARD B. ROSE.
GEORGE PORADO.
WILLIAM J. JONES.
WILLIAM R. BOWLES.
HARRY M. FEAZELL.

ATTEST:

M. JOS MARTINELLI.

I hereby certify that the above resolution was unanimously adopted at a regular meeting of the board of commissioners of the township of Wilkins, Allegheny County, Pa., held on the 1st day of February, 1960.

M. JOS MARTINELLI, *Secretary.*

EAST PITTSBURGH LODGE NO. 1192,
LOYAL ORDER OF MOOSE,
East Pittsburgh, Pa., February 15, 1960.

HON. ELMER J. HOLLAND,
House Office Building, House of Representatives,
Washington, D.C.:

The East Pittsburgh Lodge of the Loyal Order of Moose wishes to go on record to support needed legislation for a Federal flood control in the Turtle Creek, Pa., valley. This organization wishes to testify by resolution in favor of this project.

Very truly yours,

EDWARD G. NEMANIC, *Secretary.*

TURTLE CREEK FIRE DEPARTMENT NO. 1,
Turtle Creek, January 19, 1960.

HON. ELMER J. HOLLAND,
House Office Building, House of Representatives,
Washington D.C.

DEAR MR. REPRESENTATIVE: As you are well aware, floods have been a major problem in the Borough of Turtle Creek for over 50 years: Now, therefore, be it

Resolved by the members of Turtle Creek Fire Department No. 1, That you the Honorable Elmer J. Holland, represent us the Turtle Creek Fire Department No. 1, before the Appropriations Committee of Congress in the request for funds for the Turtle Creek flood control project.

Sincerely yours,

JOHN L. CHOVAN,
President
WALTER R. WASMUTH,
Secretary

LIONS CLUB OF FOREST HILLS,
Pittsburgh, Pa., February 1, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR SIR: At the most recent meeting of the board of directors of the Forest Hills Lions Club, the project for controlling the dangers from flood waters in the Turtle Creek Valley was discussed and the following resolution was passed:

"It has been resolved by the board of directors of the Forest Hills Lions Club of Forest Hills, Pa., that, because of the potential danger to life and property, and due to the economic impact upon residents and merchants of Forest Hills Borough, and due to the potential crippling of communications and transportation of Forest Hills Borough and the possible detriment to the health and sanitation of the community, highest priority be given to congressional appropriation of adequate funds to initiate the Turtle Creek Valley flood control project and alleviate the potential flood danger thereby promoting the health and economic welfare of citizens of the Turtle Creek Valley and peripheral communities."

Very truly yours,

E. S. BONVALOT,
Secretary.

EAST SUBURBAN MULTILIST BROKERS, INC.,
Wilkinsburg, Pittsburgh, Pa., February 26, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR MR. HOLLAND: Thank you very much for the opportunity to be heard. I regret to say that the circumstances of business do not permit me to make a personal appearance before the House Appropriations Committee.

The interest of our members is high, since we live in the areas involved. We feel that failure to provide the funds wil serve to tear away job security for many men and their families. If provided, the appropriation will shore up a growing economic leak.

The enclosed resolution will, I am sure, express the feeling of our members.

Very truly yours,

PAUL E. RUMBARGER.

"A RESOLUTION

"1. Whereas the East Suburban Multilist Real Estate Brokers, Inc., is a nonprofit corporation, doing business in the easterly section of Allegheny County, Pa., embracing the area surrounding the Turtle Creek Valley; and

"2. Whereas said nonprofit corporation is vitally interested in the economic well-being of this said Turtle Creek Valley, and the surrounding area; and

"3. Whereas the following municipalities of Allegheny County, Pa., are in the area affected by the Turtle Creek Valley flood control project: Turtle Creek, East Pittsburgh, Wilmerding, North Braddock, Wall, Pitcairn, and Braddock, as well as the surrounding residential areas of North Versailles, East McKeesport, Forest Hills, Wilkins, and Monroeville; and

"4. Whereas flood damage in the past has caused sufficient losses so as to threaten the present level of industrial and business operation; and

"5. Whereas continuation of such losses predict the certain deterioration of the industrial and business community; and

"6. Whereas a continuing policy of neglect in this vital area is preventing the completion of planned industrial expansion of the valley's basic industry; and

"7. Whereas, in 1959, the National Rivers and Harbors Congress, a citizens' organization interested in forwarding the Nation's public works program, listed the Turtle Creek Valley flood control project as one of the few in the Nation in its 'highest priority' category; and

"8. Whereas the U.S. Army Corps of Engineers has estimated that should a flood occur similar to that of 1954, property damage alone in this area would exceed $13 million; and

"9. Whereas the United States Congress, in 1958, has authorized a flood control project under which this district is qualified; Now, therefore, be it

"*Resolved*, That the Appropriations Committee of Congress, now in session, be urged to recommend the allocation of funds that are necessary for the completion of this critical Turtle Creek Valley flood control project without costly delay."

The foregoing resolution was unanimously adopted at a regular membership meeting of this organization on February 19, 1960.

EAST SUBURBAN MULTILIST REAL ESTATE BROKERS, INC.,
PAUL E. RUMBARGER, *President.*

Attest:

FERD J. SCHOLZE, *Secretary.*

THE JUNIOR WOMAN'S CLUB,
OF TURTLE CREEK, PA.,
February 16, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR SIR: While we cannot afford personal representation to the hearings in Washington of the Appropriations Committees of Congress in this coming session, we want to express our sincere support of a Federal flood-control project for the Borough of Turtle Creek.

The community of Turtle Creek has always been hard hit by floods, and each time a flood occurs it costs us millions in property damages and sometimes human life. This has also greatly hampered our economic growth.

As you probably know, a very large expansion program is planned by the Westinghouse Electric Corp., contingent upon the construction of this project. Our community needs the economic shot in the arm which this would provide.

This letter represents our club's united support of funds being appropriated for the Turtle Creek project.

Respectfully submitted.

(Mrs.) SANDRA B. CYBULKO,
Corresponding Secretary.

DAMES OF MALTA,
CYPRUS SISTERHOOD NO. 65,
Turtle Creek, Pa., February 13, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR SIR: We, the members of Cyprus Sisterhood No. 65, Dames of Malta, at Turtle Creek, Pa., wish to express our interest in seeing that adequate flood protection be provided for the Turtle Creek Valley. Many of our members are homeowners and merchants, and their livelihood depends on such control.

We are hoping that definite action will be taken in the very near future.

Sincerely yours,

HELEN PHIPPS,
NELLIE MARTIN,
MILDRED BUSH,
Committee.

TURTLE CREEK POST NO. 640,
THE AMERICAN LEGION,
Turtle Creek, Pa., January 18, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR SIR: Turtle Creek Post No. 640, the American Legion, is very much in favor of flood control for the protection of the valley.

At the regular meeting, the membership went on record and therefore asks your support before the Appropriations Committee of Congress in the coming session for the funds of the Turtle Creek project.

Thanks a million for your cooperation now and in the past. I am,

Sincerely yours,

JAMES M. JACKSON, *Adjutant.*

AMERICAN LEGION AUXILIARY,
TURTLE CREEK UNIT NO. 640,
Turtle Creek, Pa., January 18, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR SIR: The Turtle Creek American Legion Auxiliary, Unit No. 640, are interested in the flood control for the protection of the valley.

At our regular meeting, the membership present went on record and ask your support before the Appropriations Committe of Congress in the coming session for the funds of the Turtle Creek project.

Many thanks for the favors in the past, I am,

Very truly yours,

IRENE M. JACKSON, *Secretary.*

MELLON NATIONAL BANK & TRUST CO.,
East Pittsburgh, Pa., January 22, 1960.

Hon. ELMER J. HOLLAND,
House of Representatives,
House Office Building, Washington, D.C.

DEAR SIR: It has been called to our attention by Representative John J. Murray that the National Rivers and Harbors Congress, a citizens' organization interested in forwarding the Nation's public works program, listed the Turtle Creek flood control project in its highest priority category.

We are sure that you are aware of the tremendous property damage done by floods in recent years to industry, commercial businesses, and private citizens in this area. Without proper protection against the recurrence of damaging floods, any expansive programs by industry and business cannot be planned.

Therefore, being vitally interested in the program of flood control in this great industrial valley, we feel that control of waters in our streams is necessary, and we shall support you before the Appropriations Committees of Congress by personal representation in Washington if necessary to assist you in providing funds for the Turtle Creek project.

We do appreciate your efforts and interest in this undertaking.

Sincerely yours,

F. V. KOVALOVSKY, *Manager.*

TURTLE CREEK MINISTERIAL ASSOCIATION,
Turtle Creek, Pa., February 9, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
Washington, D.C.

DEAR SIR: At a recent meeting of the Turtle Creek Ministerial Association which has a membership of 10 of the 11 Protestant ministers serving in Turtle Creek, the matter of flood control for Turtle Creek Valley was discussed. The occasion of the discussion was the reading of a letter from John J. Murray, House of Representatives, Harrisburg, Pa.

The association has asked me to convey to you our sincere commendation for your efforts on behalf of an adequate flood control program for Turtle Creek Valley. Every church in Turtle Creek borough is directly or indirectly affected in the matter, and it is our earnest desire that you continue your endeavors to bring about a suitable solution to the need.

Sincerely yours,

R. N. WILKINSON, *Secretary.*

TURTLE CREEK VALLEY,
BUSINESS AND PROFESSIONAL WOMEN'S CLUB,
Turtle Creek, Pa., February 13, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HOLLAND: As corresponding secretary I write on behalf of the Turtle Creek Business and Professional Women's Club. As most of our members live and work in the Turtle Creek Valley we most heartedly back adequate flood control. Most all of our members have families, friends, or places where we work that have been put under terrific loss and hardship by the floods of the Turtle Creek Valley and so we as residents, employees, and employers of this valley do back a more permanent protection for this need.

We appreciate your efforts in this project and hope you will succeed.

Very truly yours,

ANNA B. MRAZ,
Corresponding Secretary.

EAST PITTSBURGH BUSINESSMEN'S ASSOCIATION,
East Pittsburgh, Pa., January 25, 1960.

Hon. ELMER J. HOLLAND,
House Office Building,
House of Representatives,
Washington, D.C.

SIR: The East Pittsburgh Businessmen's Association is vitally interested in a successful and permanent flood control program for Turtle Creek Valley.

Representative John J. Murray has called to our attention the fact that the National Rivers and Harbors Congress has listed the Turtle Creek flood control project in its highest priority category. This, of course, strengthens our viewpoint that the control of these waters is essential to the well-being of our community. Many citizens have expressed their interest and concern to us over the delay in obtaining funds for the completion of this project.

We urge you to exert your efforts in our behalf at the hearings before the Appropriations Committee of Congress to obtain funds for the completion of this sorely needed project. We shall support you to the fullest extent in order that we may obtain permanent relief from damaging floods.

Sincerely yours,

A. J. VECCHIOLA, *Chairman.*

Mr. HOLLAND. I have with me today the representatives of various organizations, civic, labor, and business, that are affected by this condition.

I would like to introduce to you the following gentlemen for the purpose of speaking or presenting their testimony for insertion into the record of this hearing:

STATEMENT OF REPRESENTATIVE JOHN H. DENT, PENNSYLVANIA

Mr. Chairman, I also ask unanimous consent to include a statement in the record at this point by Congressman Dent, of Pennsylvania.

Mr. CANNON. It will be made a part of the record at this point.

(The statement referred to follows:)

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 12, 1960.

CHAIRMAN, APPROPRIATION COMMITTEE.

MR. CHAIRMAN: I would appreciate it if you will add my support to those already assembled there in behalf of the appropriation for the Turtle Creek flood control program. Due to an arthritic attack, it is difficult for me to attend meetings and especially when I have my own subcommittee meeting this morning running the same time as your meeting.

I have in the past given my detailed observations and reasons for support of this appropriation. They are contained in both the records of your committee and the records of the House.

Sufficient to say that with the coming of the spring season, the renewed threats of disastrous floods in this region, it is of even greater importance at this moment to give serious and favorable consideration to the needs and the appropriation for this project.

This particular project, when completed, will give reassurance to thousands of workers that their jobs are secure, at least against the threat of flood damages which have in the past caused the industries in the Turtle Creek area to seek locations elsewhere.

I personally appeal for an early consideration in behalf of this increased appropriation.

Sincerely yours,

JOHN H. DENT, *Member of Congress.*

Mr. CANNON. You may proceed, Congressman Holland.

Mr. HOLLAND. Now, I would like to call on the Honorable Maurice K. Goddard, secretary of forests and waters of the Commonwealth of Pennsylvania.

Mr. CANNON. We shall be glad to hear from Dr. Goddard.

STATEMENT OF MR. MAURICE K. GODDARD

Mr. GODDARD. Mr. Chairman, I would like to present for the record a statement and I would like to brief it very rapidly.

Mr. CANNON. Your statement will be made a part of the record at this point.

(The statement referred to follows:)

Mr. Chairman, there are few local flood protection projects in the Nation which protect more property of great economic importance to a region than the one for the heavily industrialized Turtle Creek Basin in Allegheny and Westmoreland Counties, Pa.

Funds to complete planning and initiate contruction are urgently needed for this project which is a part of the Corps of Engineers' plan for the development of the upper Ohio, Beaver, Allegheny and Monongahela River Basins. It will affect the boroughs of North Braddock, East Pittsburgh, Turtle Creek, Wilmerding, Wall, Pitcairn, Trafford, Monroeville, and the townships of North Versailles and Wilkins.

Major industries in the area include United States Steel at North Braddock, Westinghouse Electric Corp. at East Pittsburgh, Wilmerding, Turtle Creek and Trafford, Westinghouse Air Brake Co. at Wilmerding and the Pennsylvania Railroad at Pitcairn.

The project has an excellent benefit-cost ratio of 2.3 to 1. Twenty-six floods have occurred along lower Turtle Creek since 1888, and direct damages from the maximum flood of record (October 15, 1954) are estimated at $13,390,000 (1957 dollar values). Average annual direct damages are estimated at $1,295,000 and average annual indirect damages are estimated at $170,000. As far as we have been able to determine there are no objectors to this urgently needed project.

The Commonwealth of Pennsylvania strongly supports the Turtle Creek Channel improvements project, and was instrumental in placing this project before the National Rivers and Harbors Congress last summer for classification. The Projects Committee of the Congress voted unanimously to classify the project as class I-Endorsed.

As a further indication of the Commonwealth's interest, the Department of Forests and Waters has just completed a $508,600 channel-dredging project in cooperation with the Turtle Creek District Flood Control Authority for temporary relief of the area. Costs were shared on a 40 percent to 60 percent basis with the Commonwealth's share for engineering, planning, and dredging, coming to $203,455.

It should be noted that this work was coordinated with the corps' plan, and can be used to supplement that plan, provided work is started before the channel fills again. The Department also aided the corps in field surveys for the review report.

It is sound budgeting and engineering for the corps to proceed with construction of the project once plans for the first stages are completed. I urge therefore that you appropriate the necessary money to complete planning of the project.

The importance of this project, Mr. Chairman, is reflected by the fact that current plans for industrial expansion in the area depend upon whether or not the project will be built in the near future.

Mr. CANNON. You may proceed, Mr. Goddard.

Mr. GODDARD. Historically, I think it is important to point out that we have had 26 floods on Turtle Creek, the most serious one occurring during Hurricane Hazel in this period of time since 1888 which is just about 60 years. We had the most serious flood in 1954 when on this one little stream we suffered $13,390,000 in damages.

I would like to point out, sir, that the benefit-cost ratio for this project is 2.3 to 1, a very excellent benefit-cost ratio.

We would like to point out that there are eight communities involved and four great companies, the United States Steel Corp. has a plant on this stream, the Westinghouse Electric Corp., the Westinghouse Air Brake Co. and the Pennsylvania Railroad, all of which have substantial holdings on this stream. So, we feel there is an important element of our economy involved here.

It is to be noted, I believe, that the Westinghouse operation expects to expand its plant there by about $50 million.

Mr. CANNON. You mention that in connection with the function of this committee on the improvement of navigation. Of course, the Congress of the United States cannot appropriate money to promote industrial development.

Mr. GODDARD. This is correct.

Mr. CANNON. The only thing we can appropriate money for in a project of this character is for flood control and navigation.

Mr. GODDARD. I understand, sir.

Mr. CANNON. You may proceed.

Mr. GODDARD. I should like to point out that the Commonwealth of Pennsylvania has felt that there is an obligation here on itself, and my Department over the past 2 years spent $203,455 dredging Turtle Creek. This was to protect the great plants along the stream from periodic, annual flooding, but it would not protect them from a flood of record such as a hurricane storm. However, it does protect them from what we might call a 2- or 3-year frequency flood. In other words, the project has already paid for itself.

Our Department also spent $30,000 to do topographic engineering in order to speed up the design criteria for this project. So, the Commonwealth of Pennsylvania would like to support Congressman Holland's request that the planning money be speeded up so that the design construction can be completed on this project in the coming fiscal year.

Mr. BOLAND. Mr. Chairman, may I ask a question at this point?

Mr. CANNON. Mr. Boland.

Mr. BOLAND. The money expended by the Commonwealth of Pennsylvania was purely for flood control?

Mr. GODDARD. This is correct.

Mr. BOLAND. This is a purely flood control project, with a ratio of 2.3 to 1?

Mr. GODDARD. Yes, sir.

Mr. BOLAND. What you want to do is speed up the preconstruction planning and intend the $350,000 to be allocated by the Bureau of the Budget for that purpose and to bring the project to at least the planning stage this year so that you may start construction at the earliest possible date?

Mr. GODDARD. This is correct.

Mr. BOLAND. I notice your justification states that there are 3,000 permanent residents in the area subject to direct flooding and more than 30,000 employed in the area.

Mr. HOLLAND. That is right.

Mr. CANNON. Thank you, Dr. Goddard.

STATEMENT OF MR. L. W. WHISNER

Mr. HOLLAND. Next, Mr. Chairman, I would like to introduce to the committee Mr. L. W. Whisner, chairman of the Turtle Creek Valley Flood Control Authority.

Mr. CANNON. Mr. Whisner's statement will be made a part of the record at this point.

(The statement referred to follows:)

The Turtle Creek District Flood Control Authority is the official representative of the civic, business, industrial and local governmental organizations having an interest in the Turtle Creek flood control project.

In May of 1957, the authority adopted a resolution assuring the Federal Government of cooperation from local interests in all matters necessary for the successful completion of the project.

Following up the resolution, the authority undertook the dredging of Turtle Creek as a temporary protective measure against flooding. The dredging, financed by State and local funds, was done in a manner approved by the Corps of Engineers. This was done to assure that the dredging would be an effective first step in the permanent flood control project.

However, although this dredging has been effective in avoiding flood conditions during the past 2 years, it is only a temporary measure. Silt and sand are rapidly being carried down and deposited in lower Turtle Creek. In a short time the effectiveness of the dredging will be nullified.

It is most important, therefore, to effect permanent flood control as quickly as possible. Actual construction must be started in order to take advantage of the dredging that has already been done.

Delaying the Turtle Creek flood control project not only will leave our valley exposed to the flood threat, but will increase the cost of construction when it is actually started.

We ask you, gentlemen, to appropriate sufficient funds for this project in fiscal year 1961 so that actual construction may be started as quickly as possible.

STATEMENT OF MR. ROSS NESE

Mr. HOLLAND. Next, Mr. Chairman, I would like to introduce to the committee Mr. Ross Nese, president of the East Pittsburgh Borough Council.

Mr. CANNON. We would be glad to have his statement in the record.

Mr. HOLLAND. Could he have time to read it, Mr. Chairman?

Mr. CANNON. The gentleman will read his statement.

Mr. NESE. Thank you, sir.

Mr. Chairman and members of the committee, I have come before you as the representative of the various municipal officials in the Turtle Creek Valley of Pennsylvania, which includes parts of seven boroughs and two townships in Allegeheny and Westmoreland Counties. The people of our communities have been sorely affected by the floods that have plagued us over the years. In private homes the floodwaters ruin and damage heating plants, floor coverings, furniture and in general, create financial losses that are felt for many years.

This economic hardship is felt in our tax income, our public works budgets, and in a generally disheartened community spirit.

The Turtle Creek flood control project has given new hope to our people. The project calls for an assurance from local interests of their willingness to cooperate in matters of land acquisition, channel limits, utility alteration and other matters necessary for the successful completion of the project.

This assurance was given in a resolution adopted in May 1957, by the Turtle Creek District Flood Control Authority.

The flood control project is looked upon as the keystone in the complete redevelopment that is planned for the valley.

The redevelopment includes a broad highway improvement program which is already in the final stages. In connection with this program, a $5 million people's bond issue has been authorized by county and municipal authorities to provide funds for the relocation of McKeesport Boulevard Bridge over Turtle Creek. Millions of dollars in county and State funds are also being provided for the highway program.

Gentlemen, the people and local governments of the Turtle Creek Valley are anxious to do everything possible to get actual flood control construction started as soon as possible.

Thank you.

Mr. CANNON. Thank you, Mr. Nese.

STATEMENT OF MR. JOHN EVAK

Mr. HOLLAND. I would like at this time, Mr. Chairman, to introduce to the committee, Mr. John Evak.

Mr. CANNON. Congressman Holland, do you have any further statement?

Mr. HOLLAND. Yes, I have. I would like for Mr. John Evak, councilman of Turtle Creek Borough, to present his statement.

Mr. CANNON. The statement will be included in the record.

(The statement referred to follows:)

Gentlemen, on behalf of the Council of the Borough of Turtle Creek, Pa., may I petition your honorable committee to give serious consideration and thought to the problems of flood control for the Turtle Creek Valley and its tributaries.

Since 1896, there has been an average of one flood every few years and dredging has proved to be only a temporary remedy.

A heavy concentration of industry and commercial properties is in a state of arrested development because of fear—fear of recurring floods similar to the one which occurred in 1954.

The growth and development of Turtle Creek Borough depends and will depend upon a positive solution to this problem.

Your aid in providing the necessary flood control measures will be genuinely appreciated by our industry, commercial interests, citizens, and the Borough Council of Turtle Creek, Pa.

STATEMENT OF MR. RAYMOND KASKIN

Mr. HOLLAND. Mr. Chairman, I would like to present to the committee Mr. Raymond Kaskin, member of the Wilmerding Borough Council, who has a resolution to present to the committee.

Mr. CANNON. The resolution will be included in the record at this point.

(The resolution referred to follows:)

RESOLUTION OF BOROUGH OF WILMERDING, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA

Whereas the Borough of Wilmerding, in the county of Allegheny, State of Pennsylvania, began its corporate existence in the year 1890; and also in the same year the predecessor of its principal industry, the Air Brake Division of Westinghouse Air Brake Co., at that time known as the Westinghouse Air Brake Co., moved its manufacturing plant and business operations to said borough; and

Whereas, since the year 1907, the community of the Borough of Wilmerding, including the area occupied by the plant of said principal industry, has at intervals of a few years been repeatedly flooded by the rampaging waters of Turtle Creek, a normally quiet slow-flowing stream which courses its way through the said borough adjacent said plant on its way to join the Monongahela River at Braddock, some few miles upstream from the Golden Triangle of the city of Pittsburgh where the Monongahela and Allegeheny Rivers join to form the Ohio River; and

Whereas the ordinarily docile Turtle Creek has overflowed its banks during each of the years 1907, 1908, 1911, 1912 (twice), 1936, 1942, 1945, 1946, and 1954, with flood heights ranging from a low of 1.2 feet above flood stage to a peak flood level of 7.2 feet in 1954, creating inevitable havoc and misery and causing incalculable loss and damage to life and property in the community of the Borough of Wilmerding and to the plant facilities of the said industry; it being conservatively estimated from available records that the plant of said industry alone sustained losses and damages ranging from a low of $6,900 in 1945 to a staggering $7,187,000 in 1954, these estimates including direct labor and material costs incurred in removing debris and repairing the effects of flood damage, additional depreciation to buildings, machinery, tools and equipment, loss in production, loss of profits, overhead, general and administrative expenses, and inventory shrinkage; total estimated loss and damage due to floods suffered by this one industry alone over the years 1907 to 1954, inclusive, being conservatively estimated at approximately $10 million; and

Whereas it is conservatively estimated that over the period of the years 1907 to 1954, inclusive, losses and damage caused by floods to personal effects and property of residents of the community of the Borough of Wilmerding run into hundreds of thousands of dollars; and

Whereas incalculable economic loss through loss of earnings has resulted not only to residents of the community of the Borough of Wilmerding who are employees in the said plant of Westinghouse Air Brake Co. but also to many residents of other areas who are also employed at said plant, in consequence of plant shutdown caused by floods, with indirect economic loss to numerous small business enterprises in the Borough of Wilmerding patronized by employees of the said company; and

Whereas the aforesaid losses in earnings and sales, as well as in property values, result in corresponding loss of tax revenues at all levels of government, including not merely the Borough of Wilmerding but extending to county, State, and Federal Governments, it may well be said that losses due to floods in the community of the Borough of Wilmerding affect not merely said community but the entire Nation as well; and

Whereas a repetition of floods inundating its Wilmerding plant, particularly floods approaching the peak level of 7.2 feet above flood stage, must inevitably suggest to the prudent management of Westinghouse Air Brake Co. the justification and necessity for avoiding a continuation of exposure to the resultant financial loss by transferring its plant and business to areas removed from the community of the Borough of Wilmerding which are free from the menace of floods; and

Whereas such removal of the plant and business of its principal industry from the Borough of Wilmerding would result in serious disruption and disorganization of the long-stablished community of the Borough of Wilmerding; and

Whereas in an endeavor to avoid the necessity of considering removal of its plant from the Borough of Wilmerding to other areas free from the menace of floods, said industry has over the past years at considerable expense to itself taken measures to protect its plant and plant facilities against floods caused by Turtle Creek overflowing its banks, such measures including installation of floodwalls, floodgates at entrances to various plant buildings, syphon sewers, backup valves, and pumping equipment; and

Whereas in 1955, the Borough of Wilmerding and the neighboring communities of the Borough of Turtle Creek and the Borough of East Pittsburgh, through which Turtle Creek successively flows downstream from Wilmerding, cooperated to form the Turtle Creek Valley Flood Control Authority for the purpose of instituting more effective measures against future floods affecting these several communities; and

Whereas by reason of steps taken by said Turtle Creek Valley Flood Control Authority, the said Boroughs of Wilmerding, Turtle Creek, and East Pittsburgh have expended over the period from November 1955 to August 1956 a total of $30,000 for engineering studies; a total of $355,000 over the period from August 1956 to March 1957 for dredging the channel of Turtle Creek from the Monongahela River upstream to floodgates at East Pittsburgh erected by another Turtle Creek Valley industry, the Westinghouse Electric Corp.; and with the assistance of the Pennsylvania Department of Forestry and Waters, a total of $495,000 for dredging other portions of the channel of Turtle Creek upstream from East Pittsburgh to lower the creekbed to approximately the 1906 level; and

Whereas the Borough of Wilmerding, the people of the Wilmerding community, and its principal industry have taken all reasonable measures, at the local level, to protect themselves against potential future floods resulting from Turtle Creek overflowing its banks, which measures are at best a temporary expedient and not a permanent solution to the problem; and

Whereas it is evident to informed officials of the Boroughs of Wilmerding, Turtle Creek, and East Pittsburgh, as well as to industries located in these respective boroughs and to other interested citizens of the area, that permanent measures and controls are necessary; that substantial sums of money will be required to provide such measures and controls; and that it is imperative in order to protect and preserve the gains already accomplished through flood control measures heretofore taken by local and State governments and by industry, as well as to preserve the future economic and social well-being of the community, its residents, small business enterprises, and industries located in the community, that permanent measures and controls be taken, erected and installed at the earliest possible moment: Now, therefore, be it

Resolved, on behalf of the community of the Borough of Wilmerding, its residents, its small businessmen, and its principal industry, as well as on behalf of the residents and industries of the entire Turtle Creek Valley, That it is fitting that the Congress of the United States of America consider a permanent self-cleaning concrete flood control channel in accordance with recommendations of the Corps of U.S. Army Engineers; and that, in order to enable realization of such permanent flood control facilities, the Congress should appropriate sufficient funds to assist the aforesaid communities in removing with certainty the threat of future floods, thereby to assure further development of a sound economic and social life in these communities which will be reflected in benefit to the Nation as a whole.

Resolution read and adopted at a meeting of Wilmerding Borough Council held the 1st day of March A.D. 1960.

WILMERDING BOROUGH COUNCIL,
GABE BACCO, *President of Council.*

Attest:

MATTHEW WAYTON,
Borough Secretary.

Approved this 1st day of March A.D. 1960.

C. H. KLAUSING, BURGESS.

Attest:

MATTHEW WAYTON,
Borough Secretary.

STATEMENT OF MR. PAUL CARMICHAEL

Mr. HOLLAND. I would like to present at this time, Mr. Chairman, Mr. Paul Carmichael, president of Local 601, International Union of Electrical, Radio, & Machine Workers, AFL–CIO.

Mr. CANNON. We will be glad to have the statement and it will be included in the record.

Mr. CARMICHAEL. Mr. Chairman and committee members, I am here in behalf of the Wilmerding employees of our organization and employees of our organization and employees of the Westinghouse Co.

Over the past year these people, as a result of this flood, have suffered heavy losses in earnings, plus many millions of lost man-hours. We feel, sir, that consideration on your part of an appropriation for this much-needed program will create a feeling of job security for our community and we feel it is a necessity to continue the industrial expansion which we have in our area.

I would like at this time to present our business agent, Mr. Thomas F. Sullivan.

Mr. CANNON. Mr. Sullivan, your statement will be inserted in the record.

(The statement referred to follows:)

Mr. Chairman and members of the committee, I represent approximately 9,000 workers at the Westinghouse Electric plants, who are among the more than 30,000 people employed at the industrial plants in the Turtle Creek Valley.

These workers are the people who suffer the greatest economic hardship in times of floods. They have repeatedly suffered long periods of furlough, both during the actual flood periods and during the long cleanup periods that follow each flood.

As a result of the 1936 flood, the members of IUE Local 601 alone lost almost 4 million man-hours of employment. This is about equivalent to a whole year's work for 2,000 men. The plants were shut down completely for 9 days, and the return to work was very gradual. It was 13 months before we returned to completely normal operations.

Again in 1954 there were well over 2 million man-hours lost by the members of local 601. And I am sure that the total figure for all industrial plants in the valley would be staggering. After the 1954 flood, it took 10 months before we were able to return to full normal operation. Needless to say, the tremendous loss of wages to our members is a great hardship.

For the past 50 years the same performance has been repeated many, many times. The constant threat of impending flood has discouraged plant expansion in our valley and is therefore a threat to our job security.

On behalf of all the workers in the Turtle Creek Valley, I urge you, gentlemen, to appropriate enough funds for this flood control project so that construction can be started as quickly as possible—and remove this threat to our wages and our job security.

Mr. CANNON. As I said before, this committee is not authorized to expend money for any purpose in a bill of this character except for flood control and navigation.

STATEMENT OF MR. FRANCIS X. MC TIERNAN

Mr. HOLLAND. Mr. Chairman, next I would like to present to the subcommittee Mr. Francis X. McTiernan, vice president of the Association of Westinghouse Salaried Workers.

Mr. CANNON. The fact that it may incidentally promote industrial development is always a very welcome adjunct, but we cannot appropriate money exclusively for that purpose. Do you have any further statement, Mr. Holland?

Mr. HOLLAND. Mr. McTiernan would like to present his statement.

Mr. CANNON. His statement will be included in the record.

(The statement referred to follows:)

Mr. Chairman and members of the committee, I represent approximately 4,500 salaried employees at the Westinghouse Electric Corp.'s plants in the Turtle Creek Valley.

On their behalf, I would like to submit this statement pointing out the urgent need for prompt action on the Turtle Creek flood control project. I ask that you include it in the record of this hearing.

Each of the many major floods that has struck the Turtle Creek Valley has created general havoc within the valley's various industrial plants. Working conditions during each flood, and during the long cleanup period, have ranged from very difficult to impossible. Constant repetition of these conditions have made our valley a less desirable place in which to live and work.

The repetition of the costly damage and the difficult conditions has also discouraged the managements of our industrial plants from freely proceeding with plans for modernization and expansion within the valley. Some industrial lines have already been moved to new locations outside the valley. This, of course, reduces job availability and job security for our people.

The Turtle Creek flood control project promises to correct this situation by making industrial expansion feasible. However, funds for much of the proposed expansion have not yet been committed, and if too many years must elapse before flood control becomes a reality, it may become necessary to revise the present expansion plans. We who live and work in the valley are fearful of what such a revision might mean to our job security.

We urge you, gentlemen, to appropriate sufficient funds in fiscal year 1961 so that actual construction on the flood control project may be started at the earliest possible date.

STATEMENT OF MR. DAVID HARPER

Mr. HOLLAND. Mr. Chairman, I would like to introduce to the subcommittee Mr. David Harper, president of the Turtle Creek Chamber of Commerce.

Mr. CANNON. We shall be glad to hear from Mr. Harper.

Mr. HARPER. Mr. Chairman and members of the committee, I speak for the industrial and business interests in the Turtle Creek Valley. In time of flood in our valley it is the various businesses and industrial plants that suffer the greatest financial loss.

We are affected not only by the direct damages to property, which repeatedly have amounted to many millions of dollars, but by the indirect costs such as the loss of business and production during the long cleanup period following each flood.

But one of the worst effects of the long series of floods that has plagued our valley for so many years is the frustration that discourages modernization and expansion of our business and industrial facilities.

Shortly after the major flood in 1954 several of our business houses failed to reopen and plans were begun to relocate some of our industrial facilities in other locations.

However, a new attitude toward capital expenditures for modernization and expansion has been adopted by our business and industrial leaders. We have planned the complete redevelopment of our business and residential areas, in cooperation with the Redevelopment Authority of Allegheny County and the Pittsburgh Regional Planning Association. The management of one of our industrial installations alone has made plans for almost $50 million investment in modernized and expanded plant facilities. One new plant has already

been built and funds for the remainder of the program are expected to be committed within the next 18 months.

All this business redevelopment and industrial expansion, however, is based on the belief that the Turtle Creek control project will soon become a reality. We have talked about flood control for years. We now need to begin actual construction, as soon as it is possible, to allay the skepticism of our people—and to assure the continuation of the long needed modernization and rebuilding that has been started.

STATEMENT OF MR. PATRICK CUSICK

Mr. HOLLAND. Mr. Patrick Cusick, of the Pittsburgh Regional Planning Association, would like to be heard at this time.

Mr. CANNON. His statement will be included in the record.

(The statement referred to follows:)

Gentlemen, I appear before you today in a dual capacity—that of a professional in the field of urban development and as an individual who for the past 7 years has been intimately involved in the struggle on the part of the people of the lower Turtle Creek Valley to improve their environment.

The municipalities there—the boroughs of East Pittsburgh, Turtle Creek, and Wilmerding—are outwardly typical of the older industrial communities of western Pennsylvania. They have their share of traffic congestion, substandard houses, and disorganized, noncompetitive business districts. But there the comparison ends, because these towns have two somewhat nontypical assets: (1) their residents are aware of their physical shortcomings and want very much to take whatever steps, difficult and inconvenient though they may be for them personally, are necessary to remedy this situation; (2) in the two large plants of the Westinghouse Electric Corp. and Westinghouse Air Brake Co., which are situated in the lower valley, they have not only major, continuing sources of primary employment but also the sound foundations so vital to any municipal improvement activity.

These assets were latent ones, however, for some years. What was required was some catalytic development or series of events that would start things rolling. To a certain extent the many outstanding improvements that have been made in the Pittsburgh area generally these past 15 years furnished this, but I believe that the most immediate factors were the highly disastrous flood of October 1954 and the almost simultaneous release of a comprehensive, long-range plan for guiding the emergence from this situation. This plan, largely prepared prior to the October flood, pinpointed a solution to the flooding problem as the key to any general improvement of the three lower Turtle Creek Valley boroughs.

Following is a brief recapitulation of three of the major advances that have been made in the 4 years that have elapsed—I will not take your time to acquaint you with more than these:

(1) *Roads.*—In this respect the principal need of this area is for a new major artery running along the valley floor generally parallel to Turtle Creek. This is to be provided by the proposed Braddock Avenue viaduct and the proposed Triboro Avenue, to be constructed by Allegheny County and the Pennsylvania Department of Highways, respectively at a total cost of approximately $8 million. Plans for both are well advanced, with the viaduct scheduled to start in 1962 and, according to a recent statement by Pennsylvania's secretary of highways, Triboro Avenue is to be contracted for in its entirety before the expiration of his term of office, that is, before the end of 1962.

(2) *Urban renewal.*—Preliminary planning is well advanced on two contiguous urban renewal projects which embrace the entire central business areas of East Pittsburgh and Turtle Creek—approximately 88 acres in total area. The net cost of these is now estimated to be $7,700,000. Just last week we received word informally that these will receive the Federal greenlight. Consequently, there presently appears to be no reason why they cannot proceed concurrently with the road projects mentioned previously. The result: completely renovated, attractive, congestion-free, and competitive business areas comprising the heart of the lower Turtle Creek Valley.

(3) *Flood control.*—Recognizing at once the crucial aspect of the flood problem, the three municipalities joined hands to form the Turtle Creek District Flood Control Authority to provide a focal point for activities in this matter. Shortly thereafter with State assistance this agency completed a sizable dredging project in Turtle Creek at a cost of approximately $1 million. This has provided temporary relief from flooding pending a permanent improvement. Concurrently, Congress authorized the Army Engineers to review this matter in order to determine whether permanent relief would be economically feasible. Their report was affirmative and on July 3, 1958 (Public Law 85-500, 85th Cong., and S. 3910), Congress accepted this as an authorized Federal project with an estimated total cost of $15,113,000; $25,000 of this amount was appropriated in the last (1959) session of Congress, and we are here today requesting that an additional sum of $150,000—or some larger amount—be appropriated by Congress during its current session to complete the construction plans and get the permanent construction started.

From all this I would like to make two points by way of conclusion: (1) the highway, renewal, and other private and public improvement projects I have not mentioned are all predicated on a permanent solution to the flooding problem being provided at an early date. Indeed, while I am not privy to the inner councils of the two major industries located there, it requires no imagination to conclude that the continuation of their major plants—without which none of these other plans make much sense—is also based on this premise. (2) The residents of East Pittsburgh, Turtle Creek, and Wilmerding have shown an outstanding determination, direction, and ability to solve their many problems. Such spirit, I believe, merits special attention and support by Congress.

Mr. CUSICK. Thank you, Mr. Chairman.

FURTHER STATEMENT OF REPRESENTATIVE ELMER J. HOLLAND, PENNSYLVANIA

Mr. HOLLAND. Mr. Chairman, I would like to submit for the record at this time a fuller statement covering this project.

Mr. CANNON. The statement will be made a part of the record at this point.

(The statement referred to follows:)

TURTLE CREEK VALLEY

The area known as the Turtle Creek Valley is composed of parts of seven boroughs and two townships in Allegheny and Westmoreland Counties in southwestern Pennsylvania, near Pittsburgh. The area contains extensive heavy industries, railroads, and commercial and residential developments. It constitutes an important part of the Pittsburgh industrial area and is a significant factor in the defense and industrial well-being of the Nation.

More than 30,000 people are employed at the industrial plants located in the valley. These plants include the Edgar Thomson Steel Works of the United States Steel Corp. at North Braddock, the Westinghouse Electric Corp. plants at East Pittsburgh, Turtle Creek, Wilmerding, and Trafford, the Westinghouse Air Brake Co. at Wilmerding, and the Pennsylvania Railroad at Pitcairn.

LONG HISTORY OF FLOODS

Since before the turn of this century the Turtle Creek Valley has been plagued by a great many destructive and costly floods.

In times of flood, the entire economy of the Turtle Creek area becomes paralyzed. Direct costs running into millions of dollars have been incurred repeatedly, while indirect costs to the entire economy of the valley are many times greater. It has been estimated by the U.S. Army Corps of Engineers that a recurrence of the last major flood of October 1954 would result in direct damages to property well in excess of $13 million.

FLOOD CAUSES

The primary cause of the flood problem is the limited channel capacity of Turtle Creek and its major tributary, Thompson Run. Runoff of rainfall in the Turitle Creek Basin frequently raises the creek to flood level. Flood conditions have also been created, however, by backwater from the Monongahela River. This was a contributing factor in the major flood of March 1936.

Following this record breaking flood, the privately owned and operated Westinghouse floodgate was installed at an initial cost of about $800,000. The gate was designed to prevent the backup of water from the Monongahela River into Turtle Creek. It includes pumps of sufficient capacity to handle residual flow in Turtle Creek when backwater from the Monongahela River reaches a critical stage. Since that time the U.S. Army Corps of Engineers has completed flood control work on the Monongahela River and reservoirs on several of its tributaries. As a result, part of the danger of floods in the Turtle Creek Valley—that resulting from water backing up into the creek from the Monongahela River—has virtually been eliminated.

FLOODS CONTINUE

However, major floods due to the runoff of rainfall in the Turtle Creek Basin continue to plague the valley, and damage and costs continue to mount. Major rainfall floods occurred in 1942, 1946, 1950, and 1954. On 10 other occasions during this period the creek level rose to dangerous or overflow levels, but the amount of property damage sustained at these other 10 times was relatively slight.

The most recent major flood occurred in October 1954, which cause direct property damages amounting to $13 million. The direct property damages are actually only a part of the total loss resulting from a flood such as this.

EFFECTS ON COMMUNITY

All business and community activity ceases during the time of flooding and during the cleanup period that follows. In addition to repairing and replacing damaged equipment and merchandise, individual merchants suffer the loss of business income during this period. Since most of their customers are industrial employees in the valley, they continue to lose business for as long as these people are furloughed while the industrial plants are cleaning up flood damage.

Individual residences are similarly affected, and most suffer the loss of appliances, heating equipment, furniture and floor coverings.

To all businesses and individuals in the valley, a flood deals a staggering blow. Its effects are felt for years.

INDUSTRIAL LOSSES

The flood losses incurred by the industrial plants in the area include not only direct property damages, but a great amount of lost time for workers which reflects tremendously on the entire valley. Typical of these losses are those sustained by the Westinghouse Electric Corp. alone during 1936 and 1954 floods:

	1936 flood	1954 flood
Complete shutdown	9 days	4 days.
Gradual restoration of facilities	9 months	7 months.
Return to full normal operations	13 months	10 months.
Man-hour loss	3,830,000 hours	2,300,000 hours.

SOLUTION PROPOSED

A complete study of the Turtle Creek Basin flood problem has been made by the U.S. Army Corps of Enginers. A report on this study, submitted to the Chief of Engineers, Department of the Army, in August 1957, contained complete recommendations for flood control measures to protect the Turtle Creek Valley.

The report recommended "That a plan be adopted for protection of the lower Turtle Creek and lower Thompson Run Valleys from floods originating in Turtle Creek Basin by improvement of the channels of these streams at an estimated cost of $13,417,000 to the United States for construction, substantially in accordance with the plan outlined in this report."

The plan consists essentially of "widening, deepening, stream bed and side slope protection and paving, and streamlining the channels of lower Turtle Creek and lower Thompson Run." The plan also includes modification of some existing structures, bridges, etc., as well as the construction of debris basins.

As recorded in the Corps of Engineers' report, "The report presents a plan for feasible, comprehensive and economically justified major channel improvements of lower Turtle Creek and lower Thompson Run, which would provide

protection for the entire lower Turtle Creek Valley against flood discharges originating in Turtle Creek Basin. The proposed plan is acceptable to the local interests of the Turtle Creek area who have indicated that they would cooperate as required for such a flood protection project, when and if it would be authorized for construction."

PROJECT AUTHORIZATION

The flood control project as described was submitted to the Committee on Public Works in June 1958. Authorization was approved by the U.S. Congress and was signed into law by the President (Public Law 85–500) in July 1958.

LOCAL INTEREST

One stipulation of the proposed flood control project calls for an assurance from local interests of their willingness to cooperate with the United States in matters of land acquisition, channel limits, utility alteration and other matters necessary for the successful completion of the project.

This assurance has been given in a resolution adopted in May 1957 by the Turtle Creek District Flood Control Authority, which is the official representative of local interests in the valley.

Industrial, commercial and residential interests within the Turtle Creek Valley look to the Federal flood control project as the keystone in the complete redevelopment that is planned for the valley.

A broad-highway improvement program, involving both Allegheny County and the Commonwealth of Pennsylvania, is already in the final planning stages. In connection with this highway construction, a $5 million people's bond issue has been authorized by county and municipal authorities to provide funds for the relocation of the McKeesport Boulevard Bridge, over Turtle Creek. County and State funds, amounting to millions of dollars, are being provided for the highway program.

The complete redevelopment of business and residential areas is planned in cooperation with the Redevelopment Authority of Allegheny County and the Pittsburgh Regional Planning Association. Funds necessary for planning this redevelopment have already been appropriated.

INDUSTRIAL EXPANSION

Industrial expansion plans in the valley are typified by those of the Westinghouse Electric Corp. Following the costly flood in October 1954, consideration was given to the possible relocation of some lines of products in other geographic areas where interruption of production and costly damage due to floods would be eliminated completely. Plans for one product activity, made shortly after the 1954 flood, have resulted in that activity being relocated in Bloomington, Ind.

However, based largely upon the conviction that the Turtle Creek flood control project authorized by Congress would shorty become a reality, the plant management revised its position with regard to future capital expenditures for expansion. Plans were drawn up calling for close to $50 million investment in modernized and expanded plant facilities. One phase of this program has already been completed with the construction of a new multimillion-dollar plant at Trafford. Commitment of funds for the remainder of the program will be considered during the next 12 to 18 months.

Prompt completion of the flood control project is essential to remove the dark cloud of flood threats and qualify the valley as a desirable place in which to live and work. It is this project upon which the entire redevelopment and expansion plans of the valley have been based.

TEMPORARY DREDGING

As a temporary protective measure, some dredging of Turtle Creek was done during the past 2 years. This dredging was financed by local government and business interests and by the Pennsylvania Department of Forests and Waters.

Just as the dredging was completed in August 1958, a heavy rainfall occurred in the Turtle Creek Basin. Water level in the creek rose to within a few inches of overflowing and except for the dredging would certainly have cause considerable flooding.

Experience has shown, however, that dredging offers only partial and temporary relief from the threat of floods. Deposits, consisting largely of silty and gravelly sands carried down into lower Turtle Creek, quickly raise the creek bed

to predredging levels. Consequently, the preliminary dradging which has just been finished in Turtle Creek will, in a short time, be nullified by creek deposits unless it is quickly followed up by the permanent control measures.

FURTHER APPROPRIATION NEEDED

During 1959 (fiscal year ending June 30, 1960) the first Federal funds were appropriated for this project. Consequently, actual engineering work on the project has been started. Much more engineering work remains to be done, however, before actual construction can begin, and expeditious completion of such work is important.

Complete cooperation and interest by State, county, and local governments, as well as by residents, businesses, and industries in the valley, has been demonstrated.

The Turtle Creek flood control project has received the highest priority rating—division I, endorsed—by the National Rivers and Harbors Congress.

An enlarged appropriation of funds by the Congress for fiscal year 1961 is urgently needed for the continuation and earliest possible completion of this flood control project.

Mr. CANNON. Thank you, Congressman Holland. We very much appreciate your presentation.

Mr. HOLLAND. We thank you very much for the opportunity to appear before you.

TUESDAY, APRIL 12, 1960.

FRENCH CREEK, SHENANGO RIVER RESERVOIR, AND ERIE HARBOR

WITNESSES

HON. CARROLL D. KEARNS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA
DR. HARRY WINSLOW, CHAIRMAN, FLOOD CONTROL COMMITTEE, MEADVILLE, PA.
MAYOR GEORGE SIMONETTA, MEADVILLE, PA.
WILLIAM FERRY, REPRESENTING THE CENTRAL LABOR UNION, MEADVILLE, PA.
JOSEPH FAHEY, EXECUTIVE SECRETARY OF THE MAYOR'S COMMITTEE
GEORGE MAHANEY, BURGESS OF SHARPSVILLE, PA.

Mr. CANNON. Congressman Kearns, will you please have a seat at the table.

Congressman Kearns, you desire to be heard on the Erie Harbor, French Creek, and the Shenango River Reservoir?

Mr. KEARNS. Yes, Mr. Chairman.

Mr. Chairman and members of the committee, I would like to submit my statement in order that my time this morning can be allocated to constituents from my district. You know my projects and I know your time is very valuable.

Mr. CANNON. Your statement will be made a part of the record at this point.

(The statement referred to follows:)

Mr. Chairman, members of the committee, it has been my privilege to appear before you in the past in behalf of projects for the 24th District of Pennsylvania. Always, regardless of party, you have been most considerate of the needs of my district. I take this opportunity, therefore, to thank you most sincerely for your past courtesy and consideration.

Mr. Chairman, first of all, let me say a few words pertaining to a project for which I have worked so long—the Shenango River Reservoir above Sharon.

Pa. As you know, the President, in his budget, recommended $2.2 million for this project in fiscal 1961; however, the Army Engineers have stated that they can use $2½ million. I am most hopeful, therefore, in view of the great need, that this committee, in its good discretion, will grant an additional $300,000 for the Shenango River Reservoir so that this project, so important to the industrial future of the Shenango Valley, will proceed as planned and scheduled.

As I have stated many times, the Shenango and Beaver Valleys have suffered annual devastating floods with property damage running into the millions of dollars. The sooner this project is completed, the better it will be for the people of the Shenango Valley, and they will be forever grateful to each and every member of this committee for what you have done for them personally.

Now, Mr. Chairman, I would like to comment on another major project in my congressional district—the French Creek flood control project near Meadville, Pa., for which this committee had the good judgment to allocate funds last year to complete the survey.

The Army Engineers in Pittsburgh have assured me that this survey will be completed on schedule in June, and I am most anxious that the Army Engineers, the Public Works Committees, and the Appropriations Committees of the U.S. Congress move with all possible speed in their recommendations, authorization, and appropriations, so that this worthy project that has been under consideration for so long, and which is so vital to the industrial development of the Meadville area, can become a reality.

There was a reoccurrence again this year of the annual floods which make it so difficult to attract new industry to this otherwise desirable location. Mayor Simonetta, Dr. Winslow, Mr. Fahey and Mr. Ferry have come to Washington in the hope that an emergency appropriation can be secured for French Creek.

They are well acquainted with the status of the project, and the many steps that must be taken before it can be authorized—nevertheless, I join in their appeal for accelerated action to alleviate this continuous threat to their community.

Mr. Chairman, my final plea this morning is for the Erie Harbor. As you well know, last July the House of Representatives passed the omnibus Rivers and Harbors Authorization bill, H.R. 7634. This legislation is now pending in the Senate Public Works Committee.

I need not reiterate to this committee the importance of the St. Lawrence Seaway to the Erie area. You already have manifested your interest and great vision by appropriating close to $1 million in Federal funds for preservation of Presque Isle, the 11-mile, crescent-shaped peninsula which surrounds and protects the Erie Harbor, making it the finest natural harbor on the American side of the Great Lakes.

Mr. Chairman, I am highly cognizant of the fact that every other port on the Great Lakes has the same problem as Erie in deepening its channels to make the St. Lawrence Seaway navigable and I would like to see each and every one of them, like Erie, realize its full potential.

During the last steel strike we were able to bring ore boats into Erie and harbor them like babies in a cradle, and last summer, when I accompanied Admiral Taylor and the fleet to Erie, there were 17 ore boats moored there, like specks on a map, and as I viewed this magnificent sight I could not help commenting to the admiral, "Where in the world could you find a more natural harbor than this one in Erie?"

My colleagues, I am confident—now that other time-consuming legislation is out of the way—that the Senate will act with great dispatch in authorizing these projects and that they will concur with the appropriations which you gentlemen, and the members of the full committee, recommend to the House of Representatives.

I respectfully request, therefore, that an item for $500,000 be included for the Erie Harbor in the Public Works Appropriations bill for fiscal 1961. This is the amount that the Army Engineers have stated they are capable of utilizing in 1961 of the overall cost ($1,729,000) of deepening the Erie Harbor to a 27-foot level.

Mr. Chairman, may I make one final point. There is no threat to our American industries in this project because with Erie's marvelous mooring facilities incoming ships can moor there and reload and thus we can export fully as much as we import.

I sincerely hope that this committee sees fit to itemize $500,000 in fiscal 1961 to initiate deepening of the Erie Harbor.

Thank you, gentlemen, for your consideration.

Mr. KEARNS. Mr. Chairman, I have some gentlemen here from Meadville and some gentlemen from Sharon whom I would like to consume the time allotted to me.

Mr. CANNON. Congressman, will you please indicate the first one who desires to speak?

STATEMENT OF DR. HARRY WINSLOW

Mr. KEARNS. Mr. Chairman and members of the committee, I would like to introduce to you Dr. Harry Winslow, chairman of the Flood Control Committee of Meadville.

Mr. CANNON. Dr. Winslow, please be seated.

We would be glad to hear you, Dr. Winslow.

Dr. WINSLOW. Mr. Chairman, we appeared here last year after we had a flood, causing between $5 million and $6 million in damage, and you very kindly advanced our project one year by allocating an additional $25,000 for the survey. That survey will be completed in June. We appeal to you now to give consideration to an early allocation of funds or approval of this project for planning and engineering.

We have 3,400 people unemployed in Meadville and, of course, floods scare away new industry.

Mr. CANNON. Thank you, Dr. Winslow.

Mr. KEARNS. Mr. Chairman, I would like for Dr. Winslow to introduce his guests from Meadville.

Mr. CANNON. You may proceed.

STATEMENT OF MAYOR GEORGE SIMONETTA

Dr. WINSLOW. Mr. Chairman, I would like to introduce at this time Mayor Simonetta.

Mr. CANNON. Mr. Simonetta, we would be glad to hear you.

Mr. SIMONETTA. Mr. Chairman, I am just going to say a few words because I know you are very busy.

In the last 10 years we have had seven floods, and one of the questions asked of the mayor is, "How bad does a disaster have to be before you get relief?"

Mr. Chairman, of course, if our community could economically and feasibly do the job, we certainly would not be down here, but something really must be done if we are going to give a psychological impact to our community and keep this community. It will be profitable to you people also. Although our community is progressing, these seven floods have really given it an awful setback and we are in very dire need of help.

That is all I wish to say. I wish you to know that we are very sincere and we appreciate the courtesies you have given us in the past and we hope you can accelerate and expedite this project.

Mr. CANNON. That is a good statement, Mayor.

Mr. FENTON. Mr. Chairman?

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. I would like to ask the mayor a question: Have you had any trouble recently with floods?

Mr. SIMONETTA. We just had another flood since the last time we were here that caused about $1.6 million in damages. However, we were fortunate in that we did not have an ice gorge, or it would

have been just as bad a flood as the one of the past year, but we did not have it. The water went away, but it did flood us and cause damage.

Mr. FENTON. Did your hospital have trouble this time?

Mr. SIMONETTA. No, sir, not this time.

Mr. JENSEN. Mr. Chairman, I can testify to the seriousness of the flood a little over a year ago, at Meadville and also Sharon. It was a tragic flood. It took a great toll of property. I am happy that the flood this year was not as bad as the one last year, Mayor. I traveled over that area with Congressman Kearns and many other officials of Meadville and it was really quite a terrible sight to see the aftereffects of that terrific flood which lapped up to the ceilings of the store buildings.

I can understand why you gentlemen are here today making this request that you do. Thank you.

Mr. KEARNS. Dr. Winslow, you may proceed with the introduction of the other guests.

STATEMENT OF MR. WILLIAM FERRY

Mr. WINSLOW. I would like to ask Mr. William Ferry, secretary of the Central Labor Union, to stand up and make a statement.

Mr. CANNON. We shall be glad to hear from you, Mr. Ferry.

We will include in the record any statement you care to make.

Mr. FERRY. Mr. Chairman and members of the committee, I represent possibly 7,000 to 8,000 people in Crawford County who are affected every year by this flooding condition. We, as laboring people, are particularly interested in our community's welfare and our jobs. Therefore, we have combined our efforts with industry and every other organization to do our very utmost to obtain this necessary flood control.

I lived on French Creek as a little boy, which was several years ago, and when I was about 5 years old, I watched the survey going on and that was 35 years ago. I certainly would appreciate it if I do not have to have my grandchildren watch the survey too.

Thank you very much.

STATEMENT OF MR. JOSEPH FAHEY

Dr. WINSLOW. Mr. Chairman, I would like to introduce to you at this time Mr. Joseph Fahey, executive secretary of the mayor's committee.

Mr. CANNON. We shall be glad to hear from Mr. Fahey.

Mr. FAHEY. Chairman Cannon and members of this committee, I am Joseph P. Fahey, executive secretary of the Mayor's Committee for Flood Control on French Creek. I speak for the delegation present, comprised of the mayor and city officials, and representatives of labor, industry, commerce, financial institutions and the medical association.

I wish to submit for the record documentary evidence, including 86 resolutions and letters supporting the city of Meadville's vital need for French Creek flood control.

Mr. CANNON. We will include the first 9 pages in the record at this point and the communications, letters, and resolutions will be filed with the committee for its review.

(The matters referred to follow:)

INTRODUCTION

Meadville, in northwestern Pennsylvania, situated in Crawford County, is located at the confluence of French and Cussewago Creeks.

During the past 68 years—since 1892—the community has been hit by at least 40 serious floods, some of them resulting in loss of life, railroad train wrecks, extensive work stoppages, evacuation of residents and a general disruption of community activities.

The established flood level for Meadville is 57.3 feet (which is equal to 13.3 feet of water in the creek). Since 1937, when the gage was established at the southeast end of the Mead Avenue Bridge, the flood level has been equaled or exceeded 13 times, 7 times in the decade from 1950 through this spring.

Particularly hard hit by flooding of Meadville are the fourth and fifth wards, lying on the east and west sides of French Creek, respectively. Cussewago Creek joins French Creek just north of the Mead Avenue Bridge but its influence is felt in the fifth ward by flooding the lowlands and creeping into the ward from the west side.

FLOOD RECORD

Nine floods since 1937 have caused damages to the community amounting to $14,613,635, as estimated by the U.S. Corps of Engineers and based on the 1959 construction index. The most disastrous flood of modern times occurred in late January 1959 when an extensive ice gorge several miles long from Meadville south to near Cochranton plus a prolonged rain caused the creek to flood to an all-time modern high of 62.5 feet. Damage from that flood, which resulted in more than 2,000 persons being evacuated, was determined by comprehensive and documented local survey to be approximately $5,651,637.

The following table indicates the floods which have occurred since the gage was installed. Where possible a damage figure has been given. (Material was compiled from files of the Meadville Tribune. All instances are listed where water was reported in some section of the city.)

TABLE 1.—*Meadville floods since 1937*

Date high water began	Crest (feet)	Number of days of flood	Cause	Number of evacuees	Damage estimate
Jan. 21, 1959	62.5	5	Ice gorge and rain	2,000 (general alarm)	$5,651,637
Mar. 30, 1960	60.8	3	Thaw of heavy snow	210	1,601,000
Apr. 6, 1947	60.7	3	Heavy rain	150	(1)
Mar. 21, 1948	60.1	4	do	Many (general alarm)	1,473,333
Dec. 4, 1950	59.85	4	Rain and thaw		1,380,000
Mar. 7, 1956	59.4	3	Heavy rain	12	1,206,666
Oct. 16, 1954	59.3	3	do	Some	1,173,333
Jan. 23, 1957	59.1	2	Ice gorge and rain		
Dec. 19, 1942	58.55	4	Rain and thaw		776,000
Jan. 4, 1951	58.5	3	do	Some	776,000
Jan. 15, 1937	57.8	1	do		
Apr. 26, 1937	57.65	2	Heavy rain		
Mar. 18, 1942	57.3	2	do		
Mar. 6, 1945	57.2	2	Rain and thaw		
Mar. 28, 1950	57.2	2	Heavy rain		
Feb. 21, 1939	57.0	1	Rain and thaw		
Jan. 24, 1937	56.9	3	do	Some (general alarm)	259,000
Feb. 14, 1950	56.6	2	Heavy rain	15	
Dec. 13, 1959	56.6	2	Rain and thaw		
Jan. 2, 1952	56.2	1	Heavy rain		
June 2, 1947	56.05	3	do		
Mar. 12, 1952	56.0	1	do		
Apr. 5, 1950	55.95	2	do		
Jan. 13, 1960	55.7	2	do		
Jan. 14, 1950	55.6	3	do		
Feb. 12, 1959	55.3	1	do		
Feb. 28, 1958	55.0	1	Rain and thaw		

[1] 1 death.

Table 2 is a chronological list of floods from 1892 to 1937 where no official gage reading is available but which, through news stories, showed water entered some parts of low-lying sections of the city.

TABLE 2.—*Chronological list of floods from 1892 to 1937*

Date high water began	No. of days of flood	Cause	No. of evacuees	Reports of damage ($)
June 4, 1892	3	Heavy rain	Some	$125,000.
May 15, 1893	5	do	Some	$20,000 at racetrack.
Feb. 28, 1902	2	Rain and thaw		
Jan. 22, 1904	5	Ice gorge and rain	Many	
Feb. 15, 1908	2	do	Many	
Mar. 25, 1913	[1](62.7) 2	Heavy rain	Many	$10,000 at distillery; $20,000 at business area (other classifications not reported).
May 14, 1914	[1](57.7) 1	do		
Mar. 28, 1916	1	Ice gorge and rain		
Feb. 20, 1918	3	do		
Mar. 12, 1920	2	do	Some	
Jan. 18, 1929	3	Rain and thaw	Some	
Feb. 27, 1936	2	do	Some	
Mar. 25, 1936	2	do	Some	

[1] These two elevation readings of high water during these two floods were obtained from a profile of the two floods prepared by the Erie Railroad Co. The profile was embodied in a French Creek flood control study made by George S. Fanning, an engineer for the railroad, published January 2, 1925.

Distribution of floods in Meadville is shown by table 3.

TABLE 3.—*Frequency of Meadville floods by months and total days of high water*

Month	Number of floods	Days of high water (minimum number)	Month	Number of floods	Days of high water (minimum number)
January	10	28	August	0	
February	8	14	September	0	
March	11	23	October	1	3
April	3	8	November	0	
May	2	6	December	3	10
June	2	6			
July	0		Total	40	98

FLOOD CONTROL HISTORY

A brief history of flood control efforts by and for Meadville dates back to 1904 when a group of citizens met to investigate the cause of the 1904 flood.

Important early dates in this effort follow:

Year 1904: Citizens meeting; decide to raise $2,500 to improve channel. Committee of 40 created same year to seek $50,000, mostly from the State, to dredge and widen channel.

Year 1905: Formation of French Creek Improvement Co. to push flood control effort. During following 20 years company was instrumental in securing $75,000 for channel work. State appropriated $50,000, city $5,000, county $5,000, Bessemer & Lake Erie Railroad, $5,000, and Erie Railroad $10,000.

Year 1911: Study by engineers is released concerning whole French Creek basin control problem. Suggested one or two large reservoirs be built, one below Wattsburg on French Creek, and one on Cussewago Creek at Littles Corners, each to cost about $700,000.

Year 1913: State invested Water Supply Commission at Harrisburg with authority to control waters of State's streams. The improvement company asked for and was successful in having a flood study made by the commission.

Year 1925: Fanning report prepared by Erie Railroad released. Substance of report was that the $75,000 fund was insufficient to accomplish but token improvement. Railroad proposed three schemes to control water south and north of the city.

Scheme 1: Make a new 200-foot channel through the island just below the Buchanan Junction bridge on the Erie line, and a 30-foot cut across Wilson Shute. Estimated cost, $85,000.

Scheme 2: Make a 200-foot channel from the Bessemer and Lake Erie bridge south of Mercer Street to the lower end of the Wilson Shute cutoff. Estimated cost, $551,000.

Scheme 3: Make a new channel varying in width from 150 to 200 feet between the Bessemer and Lake Erie bridge and the Erie bridge at Buchanan Junction, and of a width of 200 feet from Buchanan to lower end of the Wilson Shute cutoff. Estimated cost, $508,000.

End result of all this was that nothing was done. The $75,000 eventually was returned to those who contributed it.

Years 1933–38: Corps of Engineers, after lengthy study, proposed a large reservoir in the Cambridge Springs area. The work was authorized by Congress but was dropped because of protests, mainly from that area.

Year 1948: Meadville Chamber of Commerce, under presidency of Dr. Harry C. Winslow, proposed the mayor name a flood control committee. Mayor George Hayward named such a body with one representative from the chamber, one from city council, one from the county commissioners, one from the State, one from the Corps of Engineers, and one from the Erie Railroad. Dr. Winslow presently is chairman of a Mayor's Flood Control Committee.

Year 1950: Congressman Carroll D. Kearns from this district proposed snagging and clearing of French Creek as a control measure. Following an inspection the Corps of Engineers doubted the value of this work.

Current: Corps of Engineers proposes two reservoirs, one on French Creek in the Union City area, and the other on Cussewago Creek at Dennys Corners. A third and smaller one is considered some place between the two general areas. The present plan is estimated to provide flood control for about 30 percent of the 1,265-square-mile French Creek Basin.

Most recent thinking expressed by the corps is the elimination of the Cussewago Reservoir, substituting instead a smaller dam. The thinking leans to the idea that much of Cussewago's trouble near the fifth ward comes from French Creek backing up Cussewago instead of actual flooding of Cussewago.

During 1959 and early this year the department of forest and waters has undertaken a $35,000 stream improvement program along French Creek both north and south of the city.

During 1959 Meadville citizens were successful in a fight to have Congress appropriate enough funds, a total of $49,500, to complete the current Corps of Engineers' study during this session rather than spread it over two sessions.

Year 1960: The Meadville community having suffered its two most disastrous floods of record in 1959 and 1960 arose en masse to demand that elected and appointed governmental officials perform their duty in protecting the French Creek Basin. Civic organizations, labor unions, churches, health and welfare organizations, industries, utilities, financial institutions, educational institutions, fraternal organizations, veteran organizations, professional organizations, and official agencies spontaneously passed resolutions or submitted letters urgently appealing that authorization and appropriation be given the French Creek project this year.

Mr. FAHEY. Mr. Chairman, I shall not bore you with the ordinary flood effects that your committee hears daily. I was born and raised on the Ohio River. I have gone into second-story windows and rowed people out of their homes.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. FAHEY. In Meadville and in the entire French Creek Basin there is no warning of a flood. There is no reliable crest prediction and there is no time to move household furniture, merchandise, machinery, file cases, or people. Recently, our floods occur almost yearly and this year, and last year were our highest floods on record. This is the headwaters. What is worse it is cold country and many of the floods such as Congressman Jensen observed last year are accompanied by ice. This ice delayed the gas company as many as 45 days

before they could restore heat back to the homes. We are submitting evidence that our city, and particularly those people of Meadville who are least able, are suffering from great human misery resulting in mental health cases. There has been a significent increase in tuberculosis and cases of hospitalization as the result of severe colds and pneumonia and, yes, even loss of life from freezing to death in unheated homes.

One-third of the total acreage of the city, containing 1,641 dwelling units, are in our new flood plain. Over 2,000 people of our 18,000 population had to be evacuated from their homes as the result of last year's flood and there were hundreds more involved in this year's flood.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. The gentleman will proceed.

Mr. FAHEY. Industry and commerce are stagnating in this community; 3,400 industrial jobs were lost in the last 10 years; 12.6 percent of the people were unemployed. Our welfare requirements are bulging. The Red Cross had as many as 1,325 families in 1 flood. The Crawford County Medical Association submits to you that it is an emergency which can have epidemic proportions. We have water wells in this new flood plain now.

We plead that this great committee will speed the Corps of Engineers to complete their report this fiscal year. In this great Government of ours certainly there are some emergency funds that you can make available so that we can go ahead with design memorandums and that an appropriattion be made for that purpose this year.

Thank you.

Mr. CANNON. That was a very excellent statement.

Mr. Kearns, this project is authorized by law, is it not?

Mr. KEARNS. No, sir. The survey on this project is authorized.

Mr. CANNON. But the project itself is not authorized by law?

Mr. KEARNS. No, sir.

Mr. CANNON. But, of course, we cannot provide any money until it is authorized by law.

Mr. KEARNS. Until after the survey is completed, is that not right?

Mr. CANNON. That is right.

STATEMENT OF MR. GEORGE MAHANEY

Mr. KEARNS. Mr. Chairman, I only have one more witness, the gentleman from Sharpsville, who is the distinguished burgess of that community and who wants to speak on the Sharpsville Dam with which I know Mr. Kirwan is quite familiar.

Mr. KIRWAN. How many years have you been coming down here on this project?

Mr. MAHANEY. The first year I came down here was when Senator Copeland was chairman of the Senate Commerce Committee, about 30 years ago.

Mr. KIRWAN. I came down here with you one time before I was elected to Congress, and you have been coming down here every year since on behalf of this project.

Mr. MAHANEY. Well, I know the road down here, but I flew down today. We got up at 4:30 this morning.

Mr. KIRWAN. And, you have come down here for 30 years.

(Discussion off the record.)

Mr. CANNON. The gentleman will proceed.

Mr. MAHANEY. Mr. Chairman, I want to submit resolutions from all of the communities in the Shenango Valley and from industries there to show just what we have been going through.

I have been in the Shenango Valley for over 79 years and I have observed that we are having more floods all the time. Last year the number jumped up to two floods and, of course, this is only 3 months gone in this year and yet we have had one already. It seems that every time a group of us gets together we have a flood. So, we really need something for flood control. That is what we want and what we are asking for this time—for an additional $300,000 for the Engineers which they tell me they can very nicely use. They are ready to go to work and the thing is really on the go.

You have been very nice to us and have helped us before and we are asking you for another $300,000.

I do not want to flood you out with a lot of speech.

Mr. CANNON. Thank you for your statement.

(The resolutions were furnished for review by the committee. The following statement was supplied for the record:)

SHENANGO VALLEY CHAMBER OF COMMERCE,
Sharon, Pa., April 12, 1960.

PUBLIC WORKS SUBCOMMITTEE, COMMITTEE ON APPROPRIATIONS,
U.S. House of Representatives,
Washington, D.C.

GENTLEMEN: Mr. Alfred M. Tredwell, Jr., president of the Sharon Steel Corp., and chairman of the Shenango Valley Reservoir Committee appeared before you on April 30, 1959, to urge appropriations to expedite work on the Shenango River Reservoir. At that time Mr. Tredwell handed to you a booklet containing statements by the Shenango Valley Chamber of Commerce and others vitally interested in expediting the construction of this flood control reservoir. The booklet also contained considerable information about the floods the Shenango Valley has experienced over the past 25 years and estimates of the damages and descriptions of the hardships and miseries of the residents of the valley.

The Shenango River originates in Pymatuning Swamp in northwestern Pennsylvania, close to the Ohio State line. It flows in a southerly direction, roughly parallel to that State line until it joins with the Mahoning at New Castle to form the Beaver River which, in turn, flows into the Ohio River. In its course, the Shenango flows through the boroughs of Greenville, Sharpsville, and Wheatland, and the third-class cities of Sharon, Farrell, and New Castle. All of these communities have been hurt at one time or another by the flooding of the Shenango River.

Since publication of the booklet last year, the Shenango has gone on an additional spree. On March 31, 1960, the river reached a level of 12.84. At this level, a small residential area in Sharon and a residential-industrial area in Wheatland were inundated. Water rose in the cellars of most of the stores in the downtown Sharon business section, and employees of these stores worked for the better part of 2 days and nights pumping water and protecting their properties.

The promise of the protection offered by the Shenango River Reservoir has instilled courage in the hearts of the people of the valley.

A group of downtown Sharon businessmen have formed the Association for a Better City. The city of Sharon appropriated $9,325 to employ consultants who have surveyed the city and have completed a report recommending remodeling and reconstruction of much of the business area. The businessmen and the officials of the municipality have good reason to believe that financing can be obtained to carry forward this program if the reservoir project goes

ahead as scheduled. Any snag or delay in the progress toward completion of the reservoir would certainly destroy all hope downtown Sharon has for its revitalization.

The Sharon Steel Corp. is one of the two large industries in the Shenango Valley. In 1959 its Roemer works employed about 4,500 people. The main plant is on the banks of the Shenango River and has been shut down at least partially many times because of high river stages. The flood of January 1959 was particularly damaging, causing a complete shutdown of the plant for several days and maintenance amounting to several hundred thousand dollars.

Sharon Steel has been engaged in a program of replacing and modernizing the facilities of the Roemer works. A quote from their 1959 annual report indicates their interest in continuing this program. It follows:

"The officers of the company joined with community and government officials to urge congressional approval for the construction of a long-authorized $29 million Shenango River Reservoir near Sharpsville, Pa.—a few miles north of the company's major steel-producing plant. Funds for the acquisition of property and for preliminary construction were included in an appropriation bill passed by Congress in September 1959. The Army Engineers have now established 1964 as a target date for the completion of the project. *Having assurance of this additional protection from serious floods in the future, the company updated its plans for the construction of modern hot-rolling facilities and other capital improvements. Exploratory discussions of plans for financing these capital improvements are underway.*" [Italic ours.]

It is obvious that the prospect of complete flood protection promised by the Shenango River Reservoir means that the Sharon Steel Corp. will continue to opearte, expand, and modernize their facilities in the Shenango Valley. This, of course, means continued employment for residents of the valley, prosperity of its merchants, and the growth of its cultural activities.

We have many good sites available for new industry, and we have much to offer one which intends to move into the valley. Up until now our chief obstacle has been that these industrial sites are susceptible to periodic flooding by the river. We respectfully request your continued support for appropriations adequate to support the construction program recommended by the U.S. Army Engineers for the Shenango River Reservoir.

Very truly yours,

BURTON J. MOSS, *President.*

DEEPENING OF ERIE HARBOR

Mr. CANNON. Do you have anything further, Mr. Kearns?

Mr. KEARNS. Yes, Mr. Chairman.

I would like to ask permission to insert in the record a letter from the Port Commission of the City of Erie regarding an appropriation for deepening the Erie Harbor to a depth of 27 feet.

Mr. CANNON. It will be included in the record at this point.

(The letter referred to is as follows:)

PORT COMMISSION,
THE CITY OF ERIE,
Erie, Pa., April 8, 1960.

Hon. CLARENCE CANNON,
Chairman, Public Works Subcommittee, Appropriations Committee,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Port Commission of the City of Erie, Pa., wishes to go on record urging appropriation of $1,729,000 for deepening the harbor and making such other improvements to the harbor area as the U.S. Corps of Engineers recommended in their report filed December 1958 with the Chief of Staff.

This project is needed to help the port of Erie realize the great potential traffic projected by the completion of the St. Lawrence Seaway at a 27-foot level.

The deepwater seaway means much to the American economy along the "fourth seacoast" of the Nation, and the project proposed for Erie Harbor means that western Pennsylvania industrial and commercial establishments can compete more successfully for business throughout the world.

Industrial and commercial development will be encouraged in those areas serviced by the St. Lawrence Seaway, whose building created many new ocean ports. The Erie area is one of those ports and is the only lake port in the Commonwealth of Pennsylvania.

Deeper water means that more economical transportation is made available to industry and commerce in general as the use of bigger ships will result in operational economics, which in turn will be reflected in lower ton costs for customers of the carriers.

The Congress provided funds for building of the St. Lawrence Seaway with its navigational depth of 27 feet.

Erie Harbor, as well as others on Lake Erie, needs to be deepened to assure use of public and private facilities which already have provided water depths of 27 feet at their docks.

The Commonwealth of Pennsylvania has spent more than $2 million in assisting the city of Erie's port commission in developing one of the most modern general cargo piers on the entire Great Lakes system.

The city's contribution to the project has reached almost $1 million, making a total of nearly $3 million invested in the deepwater terminal.

The Pennsylvania Railroad Co. has spent huge sums of money in recent years to provide 26- to 27-foot depths of water at their coal and iron ore docks.

The Erie Sand & Gravel Co. in 1959 spent approximately a quarter of a million dollars in construction of pier extension.

The Interlake Iron Co., users of more than 1 million tons of ore and limestone each year (all of it moved to Erie by water), is spending in 1960 more than $1 million to improve its plant which is located on the waterfront.

The Port Commission has been informed indirectly that some of the above-mentioned private companies have plans for continuing improvements which may run into the millions of dollars.

These programs are of vital concern to the economic welfare of this section of Pennsylvania.

The Port Commission of the City of Erie, now only 3 years old, is interested not only in the particular terminal which it has created at the direction of city officials, but in the general development of waterborne commerce for the entire port.

The above-stated reasons indicate why the commission is interested in the project before Congress at this time.

We strongly urge the Congress to provide the funds which would initiate the project already authorized by the House, a project which would guarantee adequate deep water to the bulk cargo dock areas in Erie Harbor.

Justification for this project was determined by the Army Engineers in the course of their study, and their position was sustained through reviews made by the proper agencies outside of the Buffalo district office where the recommendation originated.

We reiterate that the port of Erie is Pennsylvania's only access to the St. Lawrence Seaway.

It is Pennsylvania's only "ocean port" on the Great Lakes.

The expenditure of more than a quarter billion dollars for building the St. Lawrence Seaway can become meaningless if funds are not provided at the earliest possible time for needed improvements in harbors such as Erie.

Only through completion of these projects can the western Pennsylvania and other lake port areas derive the fullest advantages and benefits from the construction of the St. Lawrence Seaway.

The Port Commission of Erie therefore prays for your earnest consideration in providing funds at this session of the Congress to inaugurate the deepening project for Erie Harbor.

E. E. GREENE,
Chairman.
C. E. DINGLER,
Port Director.

Mr. CANNON. This project is not authorized by law?

Mr. KEARNS. This one is authorized by the House—the Erie Harbor project—and I am asking $500,000 to deepen this channel.

Mr. CANNON. Is not the project included in the omnibus bill which may be passed this year before Congress adjourns?

Mr. KEARNS. That is correct. The Shenango River Reservoir, however, is in the budget for $2.2 million and the engineers say they can use $300,000 more.

Mr. CANNON. When do you expect final action on the omnibus bill?

Mr. KEARNS. You would be more of an expert than I would on that, but I think we can get it done before adjournment.

Mr. CANNON. Of course, if that bill should become law, then the committee would be in position to consider an appropriation for this project?

Mr. KEARNS. Yes, sir.

Mr. CANNON. Thank you, Mr. Kearns.

Mr. KEARNS. Thank you, Mr. Chairman and members of the committee.

Mr. KIRWAN. Mr. Mahaney, will you please give Mr. Treadwell my best?

Mr. MAHANEY. I certainly shall.

TUESDAY, APRIL 12, 1960.

CONNOQUENESSING CREEK FLOOD CONTROL

WITNESS

HON. FRANK M. CLARK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. CANNON. We shall now hear from Congressman Clark of Pennsylvania. Congressman Clark, you desire to be heard on the Connoquenessing River flood control project?

We would be glad to hear you at this time.

SHARPSVILLE DAM

Mr. CLARK. Thank you, Mr. Chairman. First of all, I would like to say that I am in full accord with reference to receiving additional money for the Sharpsville Dam. This area runs and extends into the district which I represent, and I am in full accord with the project.

Mr. Chairman, I appreciate the opportunity of appearing before this committee in support of appropriations for a project in my district for flood control construction on Connoquenessing Creek.

The flood control project for Connoquenessing Creek is located in the town of Butler, Pa. A favorable report by the Chief of Engineers which has been concurred in by the Secretary of the Army, by the Department of Interior, the Bureau of the Budget, and the State of Pennsylvania, has resulted in the inclusion of the project in the omnibus river and harbor and flood control bill which the Committee on Public Works, of which I am a member, reported favorably last year. This bill, H.R. 7634, is now before the Senate Committee on Public Works and I have every reason to believe that it will be reported favorably, passed by the Senate, agreed to in conference, and signed by the President in a matter of weeks. I might add that the reason I expect no obstacles is that unlike the ominbus bill of 1958,

which was vetoed twice and had a stormy road, the present bill contains no projects which do not have the concurrence of the Bureau of the Budget and there is no reason, therefore, to anticipate any obstacles to its enactment into law.

I have worked for many years to get authorization for the Corps of Engineers to make the basic study, to get funds to carry it on, and finally to get it included in the omnibus bill. If the omnibus bill had been acted on by the Senate last year it would now be law and I feel sure that the budget estimate would have included an allowance for Connoquenessing Creek in view of the long timelag, the extreme severity of the flooding, the danger to lives and the damage to property, all of which make it, in my judgment, one of the most urgent problems in the country. I am convinced that it should be given a high priority.

I would also like to call to the attention of the subcommittee the fact that for the first time in several years the President's budget for civil works includes 24 new construction starts and 14 new planning starts. There is no longer therefore any reason to exclude Connoquenessing Creek because it is a new start.

With respect to the fact that officially a project is not yet authorized, I feel confident that H.R. 7634 will be enacted into law, possibly before the appropriation bill which this committee is now considering or if not, shortly thereafter. Because of the customary language in appropriation bills which states that the funds being appropriated are available for use only on authorized projects, there is full protection to the Government if there should be any slipup and the project not be authorized this session.

For the record I should like to give a very brief description of the project itself and what it will do. Major floods have occurred at Butler at all times of the year but the most severe have resulted from summer-type storms. In 1954 a flood occurred which was the maximum of record. It had a discharge of almost 5,000 cubic feet per second, approximately twice the flow at which extensive damage begins to occur. Based on present day development the damage from such a flood has been estimated by the Corps of Engineers at $1,735,000. Since 1923 a total of 18 floods have occurred which caused damage, and studies show that the average annual amount of damage based on present-day developments would be $235,000.

The plan of improvement developed by the Chief of Engineers would include widening and deepening of the channel, providing a cutoff in a certain location, constructing a control structure, and making certain bridge and utility alterations. The total cost would be $2,060,000, of which $1,620,000 is Federal and $440,000 local. I would like to point out to the committee that the local cost is almost 25 percent of the total. The high degree of flood damage prevention and the great merit of this project is indicated by the benefit-cost ratio of 2.9.

I urgently request favorable consideration by the committee of including an appropriation to begin advance planning, engineering, and design on this project and to initiate construction, which I believe should be in the magnitude of $500,000.

Thank you very much.

Mr. CANNON. Thank you, Mr. Clark.

TUESDAY, APRIL 12, 1960.

DEEPER DELAWARE RIVER PROJECT

WITNESS

HON. WILLARD S. CURTIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. CANNON. We shall now hear from Congressman Curtin of Pennsylvania.

Congressman Curtain, you desire to be heard on the project of dredging the Delaware River?

Mr. CURTIN. That is right, sir.

Mr. CANNON. Mr. Curtin, you may proceed.

Mr. CURTIN. Mr. Chairman and members of the committee, I wish to thank you for giving me the opportunity of appearing before you in connection with the proposed appropriation to continue the work of deepening the channel of the Delaware River between Philadelphia, Pa., and Morrisville, Pa. (opposite Trenton, N.J.).

I appear in support of the sum of $11,700,000, as recommended by the Bureau of the Budget, for the fiscal year 1961.

The appropriation of the money requested is for the continuation of a project on which $38,702,000 has already been appropriated. Therefore, this continuation, started as a result of legislation passed by the Congress in 1954 authorizing the deepening of the upper Delaware River with a 40-foot channel, is only good business. In addition, this is a project on which there will be a very definite tax return to the Government by reason of the growth of the economy in the Delaware Valley when this deeper and better channel will permit more and larger ships to bring raw material to and take finished products from existing industries and new ones in the planning stages in this area.

I feel that I am qualified to speak on this subject, since my congressional district consists of Bucks and Lehigh Counties in Pennsylvania and I live near Morrisville, Pa., which is a borough on the banks of the Delaware and directly across the river from Trenton, N.J. I, therefore, feel that I have some knowledge of this particular problem, since navigation on the Delaware River between Trenton and Philadelphia is on a portion of the said river which is on the boundary of Bucks County and is a subject in which I have been vitally interested for many years.

This area between Philadelphia and Trenton is attractive to industry, not alone because of its location on a waterway, but also because of its availability to markets, the accessibility to railway lines and highways, the abundance of skilled labor, and the availability of land.

The money already appropriated represents 48 percent of the total Federal cost of this project, and it is anticipated that it can be completed by the summer of 1964, provided sufficient funds are forthcoming each year. I am satisfied that the recommended sum of $11,700,000 as the desired appropriation for fiscal year 1961 is practical, economical, and sufficient to maintain steady progress toward the completion of this program. If the recommended amount of $11,700,000 is appropriated for this project for 1961, it will, when added

to the amount already appropriated, total 63 percent of the entire cost of the project.

This project, when completed, will have a resultant benefit, not only in tax return but in effect on the economy, which will give it a very favorable and realistic benefit-cost ratio. I, therefore, respectfully urge the appropriation of $11,700,000 for this project for fiscal year 1961.

Mr. Chairman, I would be glad to answer any questions if you or any members of the committee might have them.

Mr. CANNON. Thank you, Congressman Curtin.

Mr. CURTIN. Thank you, sir.

TUESDAY, APRIL 12, 1960.

DEEPER DELAWARE RIVER PROJECT

WITNESS

JOHN H. REINERS, JR., CHAIRMAN, DELAWARE VALLEY COUNCIL, PHILADELPHIA, PA.

Mr. CANNON. We shall now hear from Mr. John H. Reiners of the Delaware River Council of Philadelphia.

Mr. REINERS. Mr. Chairman and distinguished members of this committee, I am John H. Reiners, Jr., chairman of the Delaware Valley Council, a nonprofit, nonpartisan organization, incorporated under the laws of Pennsylvania and dedicated to the economic development of the Delaware Valley region centering upon 14 counties in segments of three States on the lower Delaware River.

It is a privilege to appear before this subcommittee and therefore to conserve your time I shall offer for the record this full text which provides background information and facts supporting our conclusions and recommendations.

As we understand it, the Delaware River project from Philadelphia to Trenton should be completed with fiscal year 1964 funds. Consequently we are planning now for impressive dedication activities to be held July 4, 1964. We believe it entirely appropriate that dedication ceremonies be held to hail the completion of this great project and we are already in the process of drafting our honored guests lists.

Visualize this: 107 miles of waterway— 565,000 feet to be exact—a ship anchored every 1,100 feet; no closer because of safety—500 ships in all. At night they would be lighted as well as the waterfront lights in the towns that would serve as hosts to the United Nations naval forces assembled in the river.

The honored guests list would include the President of the United States, Members of the Senate and House, and especially those members on the committees that have been so diligent in seeing this project through to completion, the Governors of the States of Pennsylvania, New Jersey, and Delaware, the mayors of the principal cities of the region and especially those on the river, and the public officials of the Delaware Valley, just to name a few of the kind of people we are thinking about.

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Concerning "Construction, general," it is my understanding that the budget recommendations for the deeper Delaware project, Philadelphia to Trenton, is in the amount of $11,700,000. We understand that considering this project alone, without regard for overall programs, capabilities, and fiscal considerations, the project can economically use $14 million. Since this sum would not appreciably affect scheduled completion in 1964, we bow to the overall considerations and accept without further comment the $11,700,000. We understand that through fiscal year 1960 the project will have received $38,702,000 and that with fiscal year 1961 the project will have cost about $50,400,000 and that these sums represent about 63 percent of funds currently estimated as being required. This is based on our understanding that the current estimate is approximately $80 million, inasmuch as the reevaluation of the difficulties and expense of rock removal has reduced to a substantial degree the total cost of the project.

You will recall, Congressman Cannon, that the original estimate was thought to be something like $120 million but now it is down to about $80 million because of this reduction in cost in removing the rock, and that is the reason that there has been a substantial change in the evaluation.

Accordingly, as we understand things, $29.5 million is necessary for completion or about $10 million each for fiscal years 1962, 1963, and 1964.

We believe that the expansion that has taken place on the upper Delaware River since this project was authorized more than substantiates the original estimates concerning the industrial development potentialities of this area.

Congressman Curtin has also touched upon the importance as he sees it, particularly from the standpoint of his district.

Concerning Philadelphia to the sea, we understand that there is $3 million in the budget for maintenance. As you know, the maintenance of the lower Delaware River is extremely important because of the location of the Philadelphia Naval Base and because this is a heavily traveled portion of the river by vessels engaged in both domestic and foreign trade.

Still on Philadelphia to the sea, the existing project provides for an anchorage in the vicinity of Mantua Creek, 40-feet deep, 2,300-feet wide, and having a mean length of 11,500 feet; an anchorage at Marcus Hook 40-feet deep, 2,300-feet wide and having a mean length of 13,650 feet; an anchorage in the vicinity of Deepwater Point 40-feet deep, 2,300-feet wide and having a mean length of 5,200 feet; and an anchorage in the vicinity of Reedy Point, 40-feet deep, 2,300-feet wide, and a mean length of 8,000 feet. The estimated cost of new work is $24,447,000 (1955 price level) and the additional annual cost of maintenance $552,000. The proposed plan of improvement provides for widening and deepening Mantua Creek and Marcus Hook anchorages and for dredging new anchorages at Deepwater Point and Reedy Point.

The proposed plan of improvement will provide a source of four anchorages, 40-feet deep and 2,300-feet wide, spaced at distances of 9 to 16 miles apart in the 55-mile reach of the Delaware River from

Bombay Hook Point to the mouth of the Schuylkill River. The anchorages will accommodate 16 ships with lengths from 600 to 800 feet.

Congestion frequently exists in the present anchorages. The increase in use of larger ships requiring more swinging room, the trend toward the use of even larger vessels, and collisions, groundings, and delays that have occurred are all evidence of the need for providing better facilities for anchoring vessels in the lower Delaware River.

We were therefore naturally disappointed that funds for construction of these anchorages were not included in fiscal 1960 funds.

We will need these anchorages soon and therefore suggest the Corps of Engineers be provided $300,000 to start dredging. Specifically, this sum can be used for the purpose of initiation of the enlargement of Marcus Hook anchorage. We feel that planning is the key investment—the greatest return for the least investment—and as applied to the four anchorages, especially in view of defense requirements, would certainly be in the national interest. Further study on increased channel dimensions should then be included for fiscal year 1961 funds.

The Chesapeake & Delaware Canal, as you know, connects the Delaware River to Chesapeake Bay and is a sea level canal accommodating ocean going vessels. The canal effects a saving of 150 miles between Baltimore and New York or New England. For this reason, we feel the Chesapeake & Delaware Canal is not receiving the attention due it in the national interest.

The existing modification of the project was authorized in 1954 and provides for a channel 35-feet deep and 450-feet wide from Delaware River at Reedy Point through a land cut to Back Creek at Chesapeake City and through Back Creek, Elk River, and upper Chesapeake Bay to Deepwater near Poole's Island including a cutoff at the railroad crossing. The controlling depth in January 1960 was 23.4 feet. It also provides for fixed high-level bridges at the railroad crossing and at four highway crossings for an anchorage 35-feet deep in Elk River and one 12-feet deep at Chesapeake City, and for a branch channel 8-feet deep and 50-feet wide from Delaware City to the main channel with a basin 8-feet deep at Delaware City. We understand that the district engineers have now completed construction of the high-level fixed highway bridge at Summit. We understand that deepening of the Delaware City branch channel has been deferred for further study.

The amount included in the fiscal year 1961 budget for operation and maintenance of the Chesapeake & Delaware Canal is $1 million.

In regard to the Philadelphia district's capability for new work on the Chesapeake & Delaware Canal (part II, 35-foot channel and anchorage and replace two bridges), we understand that from the strictly engineering standpoint, considering this project by itself without reference to the corps' overall capability or fiscal consideration, that an amount of $1,200,000 can be utilized for this project in fiscal year 1961. As you may know, the amount for this project included in the President's budget is $103,000 which represents the maximum amount which can be utilized in view of the corp's overall budgetary considerations. If $1,200,000 were made available for this

project in fiscal year 1961, the funds would be utilized to continue planning, acquiring real estate, and initiating construction.

Thank you very much, Mr. Chairman. I appreciate the indulgence of this committee.

Mr. CANNON. Notwithstanding the fact that you say you need additional funds, you are willing to accept the budget estimate?

Mr. REINERS. We are in accord with the budget estimate for the upper river, but we would like to suggest to the committee that it consider the various points that are particularly referred to in the statement with reference to the lower river valley to the sea.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. Thank you very much, Mr. Reiners.

Mr. REINERS. Thank you, Mr. Chairman and gentlemen of the committee.

TUESDAY, APRIL 12, 1960.

NATIONAL WILDLIFE FEDERATION

WITNESS

LOUIS S. CLAPPER, NATIONAL WILDLIFE FEDERATION

Mr. CANNON. Mr. Clapper. You desire to be heard on what project?

Mr. CLAPPER. There are three items, sir, in the Bureau of Reclamation and Corps of Engineers appropriations. We would like to comment briefly on those, sir.

Mr. CANNON. You may proceed.

Mr. CLAPPER. Mr. Chairman, the National Wildlife Federation is composed of 50 affiliates in 49 States and the District of Columbia. These affiliates are made up of more than 2 million individual sportsmen-conservationists.

BUREAU OF RECLAMATION

It is a privilege to appear here today to comment upon appropriations for fiscal 1961 for the Bureau of Reclamation and the Army Corps of Enginneers.

We first should like to recommend that the subcommittee give favorable consideration to granting $3.5 million to the Bureau of Reclamation for the initiation of a barrier protecting Rainbow Bridge National Monument in Utah from waters backed up by the Glen Canyon Dam on the Colorado River, as recommended in the budget. Failure to construct this barrier would be a breach of faith with those who acceded to construction of Glen Canyon Dam only when assured of the protection of Rainbow Bridge Monument.

The National Wildlife Federation in 1957 adopted the following policy which, in part, reads:

> The federation endorses the principle of preservation of all natural values upon which the national park system was founded. As a matter of policy we stand ready to defend the national parks and monuments against unseeming

commercialization or engineering development which would alter or destroy the natural scenic and scientific values for which any particular park or monument was established.

The protective barrier, we understand, ultimately will cost from $15 to $25 million. This expenditure has been attacked as "unreasonable" and "unnecessary." Some people have even said that water backed into the monument would enhance its beauty and make it more accessible. These allegations are debatable.

Mr. Chairman, the National Wildlife Federation primarily is concerned with principles. If funds for this protective barrier are denied, even though authorized as part of the Colorado River storage project, a dangerous precedent would be established which might lead to commercial invasions or alteration of other units of the national park system. If Rainbow Bridge Monument is brushed aside, how long will it be before other areas are checked off?

We make no claim to knowledge of what might be a "reasonable" figure of money for protection of this great natural wonder. By dollar values, $25 million is not excessive to some people; to others, any expenditure whatever would be "unreasonable." We believe, however, that a principle is involved. Widely recognized assets such as those represented by unique Rainbow Bridge cannot be measured by the dollar value. Appreciation by oncoming generations, long after Glen Canyon may have lost its utility, must be considered. Too, this is a one-time decision because, tragically enough, unique natural areas cannot be repaired or replaced when once altered.

It is the hope of the National Wildlife Federation that Congress and Federal agencies will recognize the immense value of these types of resources to the extent that protection of them shall be an integral part of any such development.

CORPS OF ENGINEERS

Mr. Chairman, we also hope the committee can see fit to grant the budget request allowing the Corps of Engineers to acquire land for mitigation of losses to Kentucky Woodlands National Wildlife Refuge as a result of the impoundment of Barkley Reservoir on the Cumberland River. Plans call for acquisition of lands at the present Kentucky Woodlands Refuge in Kentucky and the creation of a new Cross Creeks Refuge nearby in Tennessee. These units are necessary for the perpetuation of waterfowl flights along the entire Cumberland River system and on down into Alabama.

Two State affiliates of the National Wildlife Federation, the League of Kentucky Sportsmen, and the Tennessee Conservation League, as well as wildlife agencies of the States involved, have endorsed the plan jointly agreed upon by the Departments of the Interior and the Army. To mitigate fish and wildlife losses at the Kentucky Woodlands Refuge is a true and just application of the Coordination Act and the National Wildlife Federation urges the committee to grant necessary funds to implement this portion of the Barkley project.

In conclusion, Mr. Chairman, we hope the committee will grant the full budget requests—$500,000 in Corps of Engineers construction and $50,000 for general corps investigations, $200,000 in Bureau

of Reclamation construction, and $280,000 for the special Missouri River Basin project—to the Branch of River Basin Studies, Bureau of Sport Fisheries and Wildlife. This Branch coordinates fish and wildlife plans into those of the construction agencies and performs a most important function. The whole future of fish and wildlife, so important in view of increasing public outdoor recreational demands, depends upon adequate planning in the constructions of water development projects. In fact, in view of increases planned for the Corps of Engineers and the Bureau of Reclamation, it would appear desirable that River Basin Studies also should be granted more money than the budget proposes.

Thank you for the opportunity of appearing here today.

Mr. CANNON. Thank you, Mr. Clapper.

TUESDAY, APRIL 12, 1960.

COLORADO RIVER STORAGE PROJECT

WITNESS

B. H. STRINGHAM, CHAIRMAN, COLORADO RIVER DEVELOPMENT ASSOCIATION

Mr. CANNON. Mr. Stringham, Colorado River Development Association.

Mr. STRINGHAM. Mr. Chairman and members of the committee, may I read the first paragraph of my statement and then brief it out quickly?

Mr. CANNON. It will be included in the record.

(Mr. Stringham's prepared statement follows:)

Mr. Chairman and members of the committee, my name is B. H. Stringham, I am chairman of the Colorado River Development Association, a nonprofit corporation of the States of Utah. The membership of the corporation consists of representatives from the 21 counties in the State of Utah which will be benefited by the development of the water resources of the Colorado River. The organization receives its financial support from these counties. The purpose of the corporation is to develop an interest on the part of the people of Utah in the comprehensive program proposed by the Upper Basin States for the development of the river.

The Colorado River being the last remaining undeveloped water resource of the State of Utah, the people of the 21 interested counties, and particularly the water users, are intensely interested in the prosecution of the plan by the Federal Government as outlined in Public Law 485 adopted by the 84th Congress. Their interest is now, and always has been, in the development of water from the river for irrigation, municipal, and industrial uses, and in the incidental development of power to help defray the high costs of building the participating projects. The State of Utah will enjoy future growth only to the extent that there is new water available.

There are several cooperatives and a few municipalities in the State which have a right under the act to preference in the sale of power. Their interest is that the Bureau sell to them power available from the project at the lowest possible cost.

It is our view that the rate at which the Bureau of Reclamation sells the power from the Colorado River storage project must be determined by a number of factors.

The Colorado River Compact, the Upper Basin Compact, and the Colorado Storage Project Act provide that water may be impounded and used for the

generation of power, provided such use is subservient to the development and consumptive use of water for agricultural, domestic, municipal, and industrial purposes. If a rate at which the power will be sold were determined solely on the basis of the cost of the storage dams and power generation facilities, the provisions of the law would not be complied with, because the generation of power would not assist in the development for consumptive use of water for the essential purposes enumerated above. The factors which must determine the price of the power from the Colorado project are the following:

(1) To provide sufficient revenues to pay the cost of operation and maintenance, including replacement costs, of the power facilities themselves.

(2) To provide sufficient revenue to pay for the construction cost of the major storage dams, including power generation facilities, within the time limit set by law.

(3) To provide sufficient revenue to pay, in conjunction with payments made directly by the water users, for the participating projects. These participating projects are the projects which actually put water on agricultural land, or deliver it for domestic, municipal, or industrial uses. It is of the utmost importance that this third requirement be met, for if it were not, the whole intent of the law would be circumvented. Without this increment of the power revenues to help pay for the development of water for consumptive use, the production of power would not be subservient to the development of water, but would become a primary end in itself.

We of the Colorado River Development Association worked diligently to obtain approval of the Colorado River storage project and participating projects. Our aim is, and has always been, the development of the water resources of the State of Utah, and we feel that this can only be accomplished by following the intent of the law and making the generation of power secondary to the development of water.

If the power rate is set on the basic principles I have outlined, it will return considerable benefits, and assure the continuing development of the resources of Utah and our sister States in the future.

As for the marketing of the power from the Colorado River project, I should like to go on record as endorsing the proposal for marketing the power which has been submitted by the Upper Colorado River Commission.

As for the construction of power transmission facilities, I feel that adequate funds should be provided for plans and studies and that any appropriations for actual construction of transmission facilities should be limited to those now mutually agreed upon by the Secretary of the Interior, the preference customers, and the private utilities of the area.

We support the President's budget for all features of the Colorado River storage project, and ask your favorable consideration in order that this desirable, and much needed development can be put into immediate use. In order to complete all facets of this water conservation project, it is necessary that the appropriations for general investigations and advance planning be increased over the amounts shown in the President's budget. Advance planning, if not kept current, could unnecessarily delay the project and thus add to the cost. With the great population increase we face in the Nation, and with the dependence the economy of our Nation has on the development and utilization of our natural resources, it seems imperative that we plan now, on a broad scale, to enable the immediate construction of all of the participating projects under the Colorado River storage project.

Work is now underway on the Vernal unit of the central Utah project, thanks to your kindness of last year. This unit serves the area near the vicinity in which I live, and may I urge your special consideration of the item for $2,189,000 provided in the President's budget for the continuation of the construction of this unit.

Your time and consideration are greatly appreciated.

Mr. STRINGHAM. Mr. Chairman and members of the committee, my name is B. H. Stringham. I am chairman of the Colorado River Development Association, a nonprofit corporation of the State of Utah. The membership of the corporation consists of representatives from the 21 counties in the State of Utah which will be benefited by the

development of the water resources of the Colorado River. The organization receives its financial support from these counties. The purpose of the corporation is to develop an interest on the part of the people of Utah in the comprehensive program proposed by the Upper Basin States for the development of the river, specifically the central Utah project.

We believe, Mr. Chairman, that the Colorado River storage project was a reclamation project and that the power is incidental to the project. The chief purpose is to provide water for the irrigation, municipalities, and industry.

Power should not be sold at cost. There should be a substantial increment from power developed to help pay for irrigation costs beyond the ability of the farmer to pay. I am a small preference user and I also will benefit from the irrigation project under this unit. Like many others under the project, I am willing to pay a reasonable price for power to help add to the basin fund which will pay out the project in a reasonable time.

We believe that there should be an adequate fund to provide for planning for the transmission lines. We also believe that you should not appropriate at this time more than enough to build the transmission lines which are now in agreement with the Interior Department, preference customers, and the utilities. We believe that we should not have duplicate lines. We support the President's budget but think the funds should be advanced for planning.

I happen to live in the area where one of these units is being built at the present time, the Vernal unit. Due to your kindness, we began this project last year with a million dollars. The President has recommended $2,189,000 to continue this project for the next year. I hope you will look favorably upon this amount. Thank you very much.

Mr. CANNON. Thank you, Mr. Stringham.

TUESDAY, APRIL 12, 1960.

SOUTH AMSTERDAM, N.Y., FLOOD CONTROL

WITNESS

HON. SAMUEL S. STRATTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. CANNON. Congressman Stratton. You desire to be heard on the South Amsterdam, N.Y., flood control project?

Mr. STRATTON. Yes, Mr. Chairman, I desire to appear very briefly in support of that project included in the amount of $70,000 for advance planning as a part of the budget recommendations. I have no prepared statement, but I wanted just to summarize briefly my position with respect to it.

Mr. CANNON. We will be glad to hear you.

Mr. STRATTON. This is a flood control project involving the construction of levees and the realinement of a couple of bridges in the southern part of the city of Amsterdam, N.Y., in my district, to

correct flood conditions created by the South Chuctamunda Creek, which has been overflowing periodically ever since 1938.

The original request originated back in 1938 as a result of heavy damage that occurred during that flood. Nothing resulted, however, from that original request. There was additional severe damage in 1955 as a result of flood and ice damage, and resulting from that the city of Amsterdam initiated this new request to the Corps of Army Engineers.

I might say, as a result of the 1955 flood damage there were substantial claims filed and paid in the New York State Court of Claims, as high as $3,500 in one case. The Federal Government subsequently provided to the city of Amsterdam in flood relief funds a total of $30,685 as reimbursement from some of the expenditures the city had to incur.

In April 1956 the Army Engineers approved the project in the amount of $1.2 million for the construction of the works that I have mentioned, and in 1958, when my distinguished predecessor, General Kearney, was occupying my seat, Congress authorized construction of the project. This is the first funding, however, that hase been recommended, and it is in the amount of $70,000 for initial planning only.

I might say, Mr. Chairman, that there was additional flooding last year; in March 1955 the South Chuctanunda Creek, which ordinarily is a pretty tame looking affair, went on the rampage and both water and ice created sever damage.

I have some pictures here which demonstrate that damage.

I might also say that there has been no serious damage as yet this year, Mr. Chairman, but there has been severe flooding in various parts of my district, and this is the kind of situation that could kick up at any time.

Last year, perhaps because this project had been pending for so long, one resident of Amsterdam was reported in the local press as saying that "apparently the South Chuctanunda Creek has defeated the Army and maybe we better call in the Navy." In spite of the fact that I happen to be a Naval Reserve officer myself, I do not feel it is fair to say the creek has really defeated the Army. The Army has recommended the project, and I believe if the committee is prepared to support the recommendation as submitted from the Army, the situation can be taken in hand. I believe it is a worthwhile project.

I believe in view of the damage that has been suffered, construction of this project would result in a net saving to the Government. This is the next logical step in a process that has been going on for the past few years. The request has been made by both Republican and Democratic administrations over successive years in the city of Amsterdam, and was supported by my distinguished predecessor who was on the other side of the political aisle.

I am delighted therefore to join with him and with these administrations in the city of Amsterdam in urging the committee's favorable consideration of this request.

Mr. CANNON. Thank you, Mr. Congressman.

TUESDAY, APRIL 12, 1960.

WESTVILLE, MASS., RESERVOIR; AND WEST THOMPSON, CONN., RESERVOIR

WITNESS

SAMUEL T. SHEARD, QUINEBAUG-FRENCH RIVERS MANUFACTURING ASSOCIATION, SOUTHBRIDGE, MASS.

Mr. CANNON. Mr. Sheard.

Mr. SHEARD. Mr. Cannon and gentlemen, I have a brief statement I would like to read, if I may, sir.

Mr. CANNON. If you will.

Mr. SHEARD. My name is Samuel T. Sheard. I am consultant to the American Optical Co., Southbridge, Mass., after 38 years of active association with that company. I am a Massachusets member of the Thames River Valley Flood Control Commission under Public Law 85–526 passed by Congress in 1958. I appear today as chairman of the executive committee of the Quinebaug-French Rivers Manufacturer's Association, representing about 75 business concerns in the Quinebaugh and French River Valleys, southern Massachusetts and northern Connecticut. In effect, however, we speak for the entire population of these valleys, whose major centers are Southbridge and Webster, Mass., and Putnam, Conn.

The Quinebaug-French Rivers Manufacturers' Association is basically sponsoring one project, even though it consists of five separate dams or reservoir locations, and the job must be completed in its entirety to make flood control successful in this area. Wonderful progress has been made on our project as indicated by the recent completion of the Buffumville Dam and the Hodges Village Dam; and these dams have been put into practical use. Of the other three dams, the East Brimfield Dam is to be completed this year, and construction on Westville Dam is to begin during this year.

We are here today to urge you to approve the appropriation asked for by the Corps of Engineers and included in the President's budget to the amount of $2,660,000 for continued construction on Westville Dam.

The single remaining dam in our overall project is the West Thompson, Conn., Dam, and we are requesting that Congress authorize the West Thompson project in Connecticut as contained in H.R. 7634.

In order to show the importance of the completion of the Westville Dam and the West Thompson Dam, I am attaching to this report a map of the Thames River Valley, and I would call to your attention the location of the Quinebaug and French Rivers project in relation to the whole Thames River Valley. Not only does our five-dam area project give local protection, but it plays a definite and important part in flood control for the whole Thames River Valley.

We greatly appreciate and respect the action of Congress in the allocation of funds, and the outstanding efficiency of the Army Corps of Engineers, both of which have made possible the wonderful progress of near completion of our overall project. However, the Quinebaug and French Rivers area project is not done—and protection of this area as well as downriver flood-control protection can only be accomplished by the completion of this project.

Thank you very much for giving us your time, and for the very careful attention we know that you will give our area project when you go into executive session.

Mr. CANNON. Thank you, Mr. Sheard.

TUESDAY, APRIL 12, 1960.

ANDROSCOGGIN RIVER BASIN, FLOOD CONTROL SURVEY

WITNESS

HON. JAMES C. OLIVER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MAINE

Mr. CANNON. Congressman Oliver of Maine. We are glad to have you with us.

Mr. OLIVER. Thank you, Mr. Chairman. I appreciate the opportunity to appear here this morning. As our colleague, Congressman Stratton, has said, I realize time is pressing and I do not have any prepared statement to place before you.

I am appearing in support of a survey project of the Androscoggin River, an interstate river running from New Hampshire into Maine, upon which there are important industrial installations.

Over the years, at the confluence of the Swift River and the Androscoggin, in the Rumford-Mexico area there have been recurring flood conditions. The banks have overflowed to the detriment of the people living in the area causing damage which is more or less routine, I expect, in matters of this kind, to the roads and bridges, and so forth.

It has been a matter of losses and damages dating back as far as 1936 so far as my records are concerned. The history of flooding, starting in 1936, was repeated in 1953, 1954, again in this recent fall in 1959. The newspapers locally came out with pictures such as these indicating roads washed out and bridges washed out and people being driven from their homes, in some instances several hundred families have had to move and then go back in and clean up.

It is a repetition of the same pattern which you gentlemen are all familiar with. There is no reason for me to belabor the matter.

I understand the Army Engineers through the New England Office, through General Sibley, have recommended that a survey be made of the entire situation with reference to the Androscoggin River as a whole in order that this particular situation may be incorporated in such a survey. I think a sum of money such as $137,000 has been estimated by the Army Engineers to be necessary to carry out this survey. The recommendations which they have made as a result of previous studies call for expenditures of such a sum of money that the cost-benefit ratio makes it improbable that a committee of Congress would recognize that particular project in and of itself at the confluence of the two rivers. But if the survey were conducted to take care of all the conditions affecting overflowing of the bankss and uncontrollable waters in the Androscoggin, then this location in and of itself would be covered.

The County Commissioners of Oxford County in my State have wired me asking if it is possible to get the survey, which is recom-

mended by the Army Engineers, funded for this fiscal year to the extent of, as I said before, some $137,000.

Because of the recurrence of these conditions and because there has not been, up to this date, any actual work done or recommended, it does seem to me, Mr. Chairman, in view of the few flood control projects that come up in my State and in my district, that this survey should be accorded all the consideration you gentleman can give to it.

I have a letter here from the town selectmen of the town of Rumford where the Oxford Paper Co. operates, which is a tremendous economic benefit to the area. The selectmen of the town have asked that this committee give all the consideration it can to this relatively small amount of funding for the purposes of this survey.

I have petitions here, which I will not burden the record with, amounting to some 1,200 constituents of mine, who will be faced again with this recurring flood situation if we cannot get this study authorized.

It has been a matter of postponing it year after year since 1955. I say in all respect to you, Mr. Chairman and members of the committee, that it does seem to me that in view of what I have said, since we do not come in here very often asking for flood control consideration and since this is only for the funding of the survey, that perhaps you can see fit to give us the consideration to which we think we are entitled and which we very much need.

I do not know that I can go into any further detail about it to any extent beyond that. I would hope that with all the problems you have over the country, you will still think of this spot in the northeastern extremity of the country that really is experiencing this difficulty year after year and give us an opportunity at least to feel we can be encouraged to the extent that sooner or later, upon the survey recommendations of the Army Engineers, that this condition can be met.

Thank you very much for your courtesies and attention. I hope you can see fit to give us favorable consideration in this pending appropriation bill.

Mr. CANNON. Thank you very much, Congressman.

TUESDAY, APRIL 12, 1960.

TOUCHET RIVER AND PATIT CREEK FLOOD CONTROL FOR DAYTON, WASH.

WITNESS

HENRY H. WELLSANDT, MAYOR OF DAYTON, WASH.

Mr. CANNON. Mr. Wellsandt, mayor of the city of Dayton, Wash. You are interested in the Touchet River, I believe.

Mr. WELLSANDT. That is correct, sir. I have a prepared statement. Also I will speak a little off the cuff.

Mr. CANNON. You may proceed.

Mr. WELLSANDT. Mr. chairman and members of the subcommittee, my name is Henry H. Wellsandt, mayor of Dayton, Wash. I am here to represent the city of Dayton and I appreciate very much being here.

Gentlemen, ordinarily, as a businessman, I would not be asking for Government aid. However, our situation is beyond our control. I appear before you to ask for your favorable consideration for funds amounting to $26,300 for the preparation of advance engineering and design studies necessary to establish a firm cost estimate for the Touchet River and Patit Creek flood control for Dayton, Wash., as authorized in 1941 Public Law 228. We ask that, since the project was authorized in 1941 and funds were budgeted but cancelled due to World War II, you include the necessary funds in the budget. The need is greater now than when originally authorized because of new schools and other improvements in the flood area.

The U.S. Army Corps of Engineers' records show there have been 10 recorded peak floods. Five of which have been in the last 12 years.

Significant flooding has been recorded as shown below:

Date	Damage	Damage preventable at time of flooding with project in operation	Damage preventable under present conditions with project in operation
1955	$14,000	$14,000	$15,000
1949	41,000	40,000	59,000
1938	25,000	24,000	36,000
1931	164,000	160,000	550,000
1906	172,000	167,000	850,000

NOTE.—$35,000 average annual flood damage preventable.

Estimates for channel velocities are based on the 1952 flood of 3,400 cubic feet per second and indicates an average velocity of about 10 feet per second. For such a condition, maximum localized velocities would approximate 15 feet per second. Although not computed, velocities would be somewhat higher for larger floods. Records also indicate the present bank-full capacity, where not protected by levees, is approximately 1,800 to 2,000 cubic feet per second.

In 1951 the Corps of Engineers, with assistance of $40,000 in cash from the State of Washington and $10,000 in cash and labor for the county and city, initiated an emergency program for the construction of certain temporary levees on a portion of the stream. In 1955 this was declared a flood disaster area and the Corps of Engineers spent $5,000 in repair on the project. The city and county also have spent approximately $30,000 in repair work on the project and unprotected areas.

I quote from a letter from Col. Paul H. Symbol, U.S. Corps of Engineers District Engineer.

"Although these emergency improvements provided by the Corps of Engineers in 1951 in cooperation with local interests, have provided a measure of flood protection to the Dayton area, they were not intended to serve as a substitute to the authorized project or to prove a permanent and full degree of protection."

Also, I quote from a letter to the Honorable Catherine May, House of Representatives, from Maj. Gen. William F. Cassedy, Assistant Chief of Engineers for civil work.

"Consideration of this project for planning purposes was delayed pending completion of studies of flood control storage possibilities in

the Touchet River Basin. The studies are now complete and indicate that protection of Dayton by upstream storage is not presently feasible. The exclusion of the Dayton project from annual budget in prior years does not detract from the fact that it is considered to be a desirable project."

If the upstream storage was completed, it would control only a portion of the basin runoff. There are three streams that run through Dayton.

Gentlemen, a breakthrough in the unprotected or the temporary levees, permitting the floodwaters to get behind the temporary levees, would be disastrous, doing damage to our sewer trunk line and disposal plant, damage to city streets, to the park, swimming pool, public school and grounds and private property. Loss of life has occurred and is a definite possibility in the future, due to the characteristics of the basin which results in sudden rises of the stream. The city of Dayton will do the necessary relocation work and we have recorded the necessary easements and rights-of-way for the project.

Gentlemen, I hope you will agree with me and give us the needed help.

Thank you for the opportunity to appear before the committee today.

Since this project was authorized in 1941 and since money had been appropriated back in 1941, we feel that the time has come when we should have some help on this project.

Thank you for the opportunity of appearing before the committee today. I have a few pictures here showing some of the damage. That is some of the mud that goes through our streets.

Mr. CANNON. The committee is in receipt of a protest from a landowner who represents that he owns 7,600 acres in this project. He says there are three divisions of it, that two of them have been surveyed, one not yet surveyed, and his acreage is in the area not yet surveyed.

He very vigorously opposes the irrigation feature of it, not flood control. On what grounds are they objecting to the irrigation in this third district?

Mr. WELLSANDT. As far as the irrigation, this thing I am talking about has nothing to do with the irrigation deal. The dams they intend to build are up in the basin and would control only a portion of the floodwaters.

Reclamation have made surveys in regard to establishing a dam on one fork of the Touchet River. They use this water for irrigation in the lower part of the Touchet Valley. As I understand, the reason some of these men have opposed it—I think three in particular as far as the reclamation is concerned—is the amount of land they have and some of them are opposing it because they have good water rights now and do not need any more. Consequently, they do not want to pay the fees that they want to collect for each acre of ground.

That is a different project entirely from the one I am talking about. Ours is strictly levee work on the Touchet River.

Mr. CANNON. Yours can be completed without association with the irrigation feature of it?

Mr. WELLSANDT. Correct.

Mr. CANNON. You are not asking for the irrigation, you are merely asking for flood control?

Mr. WELLSANDT. Strictly flood control.

Mr. CANNON. I thank you, Mr. Mayor.

TUESDAY, APRIL 12, 1960.

SURVEY PROJECTS FOR EASTERN SHORE OF MARYLAND

WITNESS

HON. THOMAS F. JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. CANNON. Congressman Johnson of Maryland. You are appearing in behalf of survey projects for the Eastern Shore of Maryland?

Mr. JOHNSON. Yes, sir.

Mr. CANNON. We will be glad to hear you.

Mr. JOHNSON. Mr. Chairman, I have a prepared statement and I would like to proceed with the statement.

Honorable Chairman and members of the subcommittee, I am Thomas Johnson, Representative of the First Congressional District of Maryland, sometimes known as the Eastern Shore of Maryland. I appear here today to ask your favorable consideration of two meritorious proposed projects, both of which have been approved for surveys by the House Committee on Public Works during the first session of the 86th Congress.

The first is the Honga River and Tar Bay project which will require the sum of $18,000 for the survey. This proposed project consists of a greatly needed anchorage basin in the Hoopers Island area of Dorchester County, Md. It is important to note that the area in question produces over $1½ millions in income from the seafood industry, which amounts to approximately one-half of the total revenue of Dorchester County. In the Department of the Army report to the House Public Works Committee, General Person stated:

> This region is one of the most highly productive hard crab areas in Chesapeake Bay. Ample depths of water are available over the fishing grounds and in connecting waterways but only one improved mooring area is available to the 300 or more boats engaged in the seafood industry. Waterborne commerce statistics for 1957 show that 21,640 vessel trips were made over the Honga River and Tar Bay project. This is approximately a 50-percent increase in traffic within the last 10 years. A large portion of this vessel movement is transient traffic for which no mooring facilities are available. Accordingly, it is considered that a review to determine the advisability of improvements for navigation on Honga River is advisable at this time.

Furthermore, Col. Stanley T. B. Johnson, district engineer, on touring this area with me the past fall, confirmed the fact that an adequate anchorage basin was sorely needed and that the dredged material could be utilized to build up the tenuous land strip or causeway which joins the islands with the mainland. The present causeway faces complete inundation by the encroachment of the Honga River and Tar Bay waters. Time is of the essence as there is a prevailing serious

threat to some 300 persons whose lives are in constant danger and who are threatened by isolation if this project is not undertaken. Not only, therefore, is this proposed project essential for the economic welfare of the entire county, but it needs prompt attention lest the specter of human suffering strike a large group of people a blow from which they could not recover. With your permission, I would like to incorporate in the record, at this point, three exhibits.

Mr. CANNON. They will be included in the record.

(The exhibits referred to follow:)

EXHIBIT No. 1

In order to properly assess the request for the review, or resurvey of the Honga River and Tar Bay project, listed in Corps of Engineers, U.S. Army, Baltimore district project map No. 25, project page 25, it is necessary to be thoroughly acquainted with four cogent factors.

(1) The background of Hoopers Island.

(2) The review of the original Honga River and Tar Bay project.

(3) The relationship of the Honga River and Tar Bay project to Hoopers Island as a whole.

(4) Remedial steps necessary to promote the economic stability, and to assure the safety, health, and welfare of the people of Hoopers Island.

I. THE BACKGROUND OF HOOPERS ISLAND

A. Hoopers Island, a segment of the First Congressional District of Maryland, an unincorporated land area, is situated 33 miles southeast of Cambridge, Md.

What is commonly called Hoopers Island is, in reality, two islands—the larger of two known as Upper Hoopers Island; the smaller one called Lower Hoopers Island. The two islands are joined together by a tenuous land strip through which runs a secondary road called Narrows Ferry. Narrows Ferry, the lower extension of Upper Hoopers Island, joins a one-way bridge, 600-feet long over Honga River.

B. Approximately 1,000 people constitute the population of the two islands; 676 reside in Upper Hoopers Island; and at least 210 have their homes in Lower Hoopers Island. All subsequent remarks will conjoin the two islands by their common designation Hoopers Island.

The people of Hoopers Island derive their livelihood from the Chesapeake Bay and its tributaries. A hardy, patient, industrious, seafaring group face every hazard of nature; the islanders' demands have been few; their needs indeed many.

These islanders own over 312 boats valued at $730,000. Oyster and crab houses dot the island. Their assessed value $524,000. The seafood effort of the islanders pours $1,582,170 into the economy of Dorchester County, Md. Hoopers Island is not looking for a thaumaturgist; it only needs considerate action to adequately harbor its many boats, dyking to prevent constant inundation of the tenuous land strip that cojoins the two islands, and proper navigational lighting so that the mariners could safely negotiate the Back Cove channel to open waters.

II. THE REVIEW OF THE ORIGINAL HONGA RIVER AND TAR BAY PROJECT—CONDITION OF IMPROVEMENT, JUNE 30, 1958

Project: The existing project for Honga River and Tar Bay was adopted by the Rivers and Harbors Act of August 30, 1935, and modified by the Rivers and Harbors Act of June 30, 1948. The existing project provides for a channel 60 feet wide and 7 feet deep from the 7-foot-depth curve in Chesapeake Bay through Tar Bay and Fishing Creek to Honga River. The length of the channel is about 4.8 miles.

The existing project also provides for a channel 60 feet wide and 7 feet deep from that depth in Honga River to a point near the head of Back Creek with a turning basin of the same depth and 150 feet long by 200 feet wide at the head of the channel. The length of the channel into Back Creek is about 5,500 feet.

Tidal data: The mean range of tide in Honga River and Tar Bay is about 1.4 feet.

Status: The existing project was completed in 1956, at a total cost of $68,300.

Controlling depths: The controlling depth in the channel from Honga River to Tar Bay, ascertained by survey in May 1955, was 7.4 feet. The controlling depth in Back Creek, ascertained by survey in April 1956, was 7.0 feet.

III. THE RELATIONSHIP OF THE HONGA RIVER AND TAR BAY PROJECT TO HOOPERS ISLAND AS A WHOLE

One has only to view the projection map of the Honga River and Tar Bay to know that the islanders' sustenance and welfare depend on the said river and bay. The controls man can place upon the Honga River and Tar Bay would assure the residents of the island a degree of safety and enable them to increase the economic factor substantially in Dorchester County.

IV. REMEDIAL STEPS NECESSARY TO PROMOTE THE ECONOMIC STABILITY AND TO ASSURE THE SAFETY, HEALTH, AND WELFARE OF THE PEOPLE OF HOOPERS ISLAND

(1) Dyking is needed now, and it is imperative immediate steps be taken or an island and many souls may be lost.

(2) It is tragic to realize that an island possessing a large number of boats does so much for the economy of Dorchester County and cannot present one decent anchorage basin.

(3) It goes without saying that navigation is part and parcel of any project undertaken.

(4) Proper channel dredging is necessary for the anchorage basin needed.

EXHIBIT No. 2

LOWER ISLAND, ECONOMIC REPORT, HOOPERSVILLE (DORCHESTER COUNTY), MD.

Population: 210 persons.
Residences: 73 houses.
Workboats: 54, valued at $108,000.
Gross business receipts: $682,170.
Six seafood houses.
Two stores and one post office.
One church and one church hall.
Five gunning clubs.
Seventy-five schoolchildren, riding two school buses.

EXHIBIT No. 3

UPPER HOOPERS ISLAND, BRIDGE TO BRIDGE

Population (persons)	676	Number of schoolchildren (persons)	165
Residences (houses)	227	Boatyards	4
Assessed real estate value, district No. 6	$916,960	Boat rental	3
268 workboats, replacement value	$524,000	Restaurants	3
Gross business receipts (upper island)	$900,000	Post office	1
Seafood places	22	Marine service stations	4
Stores	10	Weather station	1
Churches	2	Police boats	3
Gunning clubs	6	Workers employed (persons)	275
Number of school buses	6	Lodge hall	1
		Welding shops	3
		Fishing piers	2

Mr. JOHNSON. The second item is a much needed project to improve the existing harbor facilities located at Rock Hall, Md. Some years ago, the Federal Government spent a considerable sum of money to provide Rock Hall with channels 8 and 10 feet deep and a 100-foot-wide anchorage area of the same depth, together with twin breakwaters at the harbor entrance. Apparently the breakwaters have sunken or the water level risen, rendering the protection greatly ineffective.

On May 8, 1959, General Person stated a study is warranted to determine if modifications of the project would result in a fuller utilization of the potential benefits. The estimated cost of this survey is $15,000. I respectfully urge the committee to favorably consider the appropriation of this amount so that the hundreds of boats in the area may utilize this important harbor.

Closing, I wish to thank the committee for the privilege of appearing before you today and the courtesies accorded me.

May I at this time say that following me is a group from the Baltimore area seeking an appropriation for the deepening of the harbor of Baltimore City. I would like to say I enthusiastically endorse their project.

Mr. CANNON. Thank you, Congressman Johnson.

TUESDAY, APRIL 12, 1960.

BALTIMORE HARBOR PROJECT, AND THE CHESAPEAKE & DELAWARE CANAL

WITNESSES

HON. J. GLEN BEALL, A U.S. SENATOR FROM THE STATE OF MARYLAND

HON. JOHN MARSHALL BUTLER, A U.S. SENATOR FROM THE STATE OF MARYLAND

HON. GEORGE H. FALLON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

HON. SAMUEL N. FRIEDEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

HON. EDWARD A. GARMATZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

HON. RICHARD E. LANKFORD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

HOOPER S. MILES FOR GOV. J. MILLARD TAWES

JOHN L. KRONAU, CHAIRMAN, MARYLAND PORT AUTHORITY

W. ARTHUR GROTZ, PRESIDENT OF THE WESTERN MARYLAND RAILWAY CO.

JOHN D. MORRIS, REGIONAL MANAGER OF THE PENNSYLVANIA RAILROAD

GEORGE C. BOERING, GENERAL ATTORNEY FOR THE B. & O. RAILROAD

J. W. McELROY, PRESIDENT OF THE FIRST NATIONAL BANK OF BALTIMORE

CHARLES P. CRANE, CHAIRMAN OF THE BOARD OF THE BALTIMORE GAS & ELECTRIC CO.

CAPT. STEVEN M. MOODIE, MARVIN STEAMSHIP CO.

JAMES V. GUTHRIE, VICE PRESIDENT, STEAMSHIP TRADE ASSOCIATION OF BALTIMORE

CHARLES SCARLETT, JR., EXECUTIVE VICE PRESIDENT OF RAMSAY, SCARLETT & CO., STEAMSHIP AGENTS

GERALD M. STEIN, VICE PRESIDENT OF THE MARYLAND SHIPBUILDING & DRYDOCK CO.

EDWARD A. BRANNON, DIRECTOR OF EXPORT-IMPORT BUREAU, BALTIMORE ASSOCIATION OF COMMERCE

STATEMENT OF REPRESENTATIVE GEORGE H. FALLON, MARYLAND

Mr. CANNON. Congressman Fallon, of Maryland. Congressman, we are very glad to have you with us. We listen to you always with pleasure and profit.

I believe you are interested in the Baltimore Harbor project and the Chesapeake & Delaware Canal.

Mr. FALLON. That is right.

Mr. CANNON. We will be glad to hear you at this time.

Mr. FALLON. Mr. Chairman, on behalf of my colleagues from Baltimore and adjoining Baltimore and the citizens of Maryland, I do express their deep appreciation for your hearing us this morning.

Mr. Chairman and members of the committee, if you will recall, we were here last year asking that a sum of money be appropriated for the beginning of the deepening and widening of the channels in the Baltimore Harbor. We pointed out to you at that time that in the rivers and harbors bill of 1958 this project had the largest benefit-to-cost ratio, almost 5 to 1—4.99.

It was also pointed out at that time that private interests and the city of Baltimore and the State of Maryland had invested over a quarter billion dollars in facilities in the harbor area. I presented some of our industrialists and businessmen from Baltimore who testified at that time.

This morning, with your permission, Mr. Chairman, I have two gentlemen here who are from Baltimore who will make a statement. I also have a number of people here I would like to introduce and ask permission at that time to have their statements put in the record. Also, my colleagues are here who would like to make short statements.

Mr. CANNON. We will be glad to have the statements and will be glad to have you introduce those whom you wish to appear before the committee.

Mr. FALLON. Our first witness this morning will be Mr. Hooper S. Miles, who is here representing Gov. J. Millard Tawes, of Maryland. He has a short statement to make.

STATEMENT OF GOV. J. MILLARD TAWES

Mr. CANNON. Mr. Miles, will you come to the table and proceed?

Mr. MILES (reading the statement of Governor Tawes):

Mr. Chairman and gentlemen of the committee, first, allow me, as Governor of Maryland, to thank the committee for accepting a brief statement from me in support of Baltimore Harbor and improving the channels leading thereto. I had hoped to be here in person but illness prevents. I, therefore, am grateful to the committee for allowing my statement to be presented through Mr. Hooper S. Miles, who comes to you not only as Treasurer of the State of Maryland, but as chairman of the board of the Fidelity-Baltimore National Bank of Baltimore.

Knowing how beset your committee is at this time with its heavy duties, I would not urge you to come to Baltimore to see for yourselves the conditions that make imperative our appeal for an appropriation of $7 million to begin the work, and an appropriation of $1.2 million to begin the dredging of the Chesapeake & Delaware Canal. However, I do extend you an invitation to do so and would be pleased to make all arrangements for your comfort.

This is a year of profound importance in national and international affairs. The strength and security of the Nation is of concern to all of us, and is being weighed throughout the world by friend and foe alike. I respectfully urge that the acts we take now to strengthen our position are vitally more important than words, no matter by whom spoken nor to whom addressed.

Therefore, in behalf of all of the citizens of Maryland, I ask the committee's indulgence in hearing our witnesses or receiving for the record their prepared statements and to accept my assurance that you are not being imposed upon by a request without real merit. The port of Baltimore is in imminent danger of losing the commercial tonnage of strategic bulk commodities, which are the lifeblood of the economic welfare of our community and State, and the security of the Nation itself is endangered by the decreasing efficiency of our port. I suggest that the port of Baltimore in time of national emergency may well be of great importance, and not less so than other ports having naval or other military installations, which are sometimes regarded as more effective in usefulness in time of conflict. Every major waterway on the Atlantic coast must be safeguarded and made as secure for present-day shipping as others are or need to be, otherwise the country is not prepared for modern world commerce or for the security of our people in a future that no one at present can foresee. What Baltimore could mean to the Nation's Capital and its population in emergency need not be emphasized by me, and I am sure will not be overlooked.

We cannot too strongly stress the urgency of meeting the conditions arising out of the radical changes brought about by the construction and use of the many new and larger bulk carriers already in service, which are rapidly taking the place of ships our channels have heretofore been sufficient to handle.

I earnestly hope the committee will recognize the merit and urgency of our appeal and will act favorably thereon. On behalf of all of us in attendance at this hearing, I thank you for your courtesy and indulgence.

Mr. CANNON. Thank you, Mr. Miles. Congressman Fallon.

STATEMENT OF MR. JOHN L. KRONAU

Mr. FALLON. Mr. Chairman, I would like to present to the committee Mr. John L. Kronau, chairman of the Maryland Port Authority, who has a brief statement.

Mr. CANNON. Mr. Kronau.

Mr. KRONAU. Mr. Chairman and gentlemen of the committee, my name is John L. Kronau. I am chairman of the Maryland Port Authority and president of the Patapsco Engineering Co., of Baltimore.

The authority strongly urges this committee to give their approval and support to the $7 million appropriation being requested here today to begin the improvement of Baltimore Harbor and channels to its newly authorized depth and width. The authority also strongly urges the committee to give their approval to the $1.2 million appropriation to commence phase II of the Chesapeake & Delaware Canal project. Phase I, which has been progressed, has been limited to bridge construction. The Baltimore port and business interests rep-

resented here all believe that we are conservative in our request, since the need for improved channels at Baltimore and in the approaches thereto is immediate and the requests are not a matter of planning for future needs.

The Congress recognized this need, insofar as the Baltimore Harbor channel system is concerned, when, in 1958, it authorized a deepening of the main channel in Chesapeake Bay and Baltimore Harbor from 39 to 42 feet and the branch channels leading to large ore unloading piers and oil discharge piers from 35 to 42 feet. This authorization, which presently carries a benefit-to-cost ratio of 4.95 to 1, also provides for the widening of all the channels by 200 feet to permit the safe maneuvering of the large bulk carriers serving the port.

Insofar as the Chesapeake & Delaware Canal is concerned, the Congress recognized the need for its improvement in 1954 when it authorized a deepening of the canal from its present 27-foot depth to a depth of 35 feet and a widening from 250 feet to 450 feet. This canal, although of great importance to the port of Baltimore, has similar importance to the Delaware River ports. In addition, it facilitates the safe movement of vessels serving all of the ports in the North Atlantic range and is therefore not a project having purely local effect.

The seriousness with which the problem of inadequate depth in channels serving the port of Baltimore is concerned is indicated by the status of the representatives who are here today to lend their support to the projects. These representatives are the senior executives of all facets of port and business interests.

As the statements submitted today will indicate, Baltimore is noted as the principal bulk port on the eastern seaboard, and as such has the greatest demand for service to the large supercarriers now existing and now also under construction. Because of the limiting depth in the Baltimore Harbor channel system, which is less than any other major seaport on the seaboard, these large carriers can only enter the port loaded to partial capacity. This is an uneconomical operation from a business standpoint and also is one that is adverse to our national defense. Ore and oil are the primary commodities in the bulk trade and these are the principal commodities on which our defense rests.

A few simple statistics on the drafts of larger bulk carriers in existence in June 1959 will illustrate the point here being made. These ships now serving the Western Hemisphere would all use the port of Baltimore if maximum loading were possible.

Draft (feet):	*Number*	Draft (feet)—Continued	*Number*
34 to 35	155	37 to 38	27
35 to 36	115	38 to 39	9
36 to 37	55	39 to 40	11

Other large carriers in this draft range of 34 to 40 feet, which is the critical range at Baltimore, have been completed since June 1959 and an ever-growing number are under construction. There are larger carriers in the world, but these generally do not serve the Western Hemisphere.

For the benefit of this committee, it is desired to point out that the $7 million requested for the Baltimore Harbor channel system is based on a practical, although only partial solution, to the problem of accommodating these large carriers. With the expenditure of $7 million during the next fiscal year, it is possible to provide a depth

of 42 feet on the inbound side of the channel for a width of about 275 feet from the ocean to the head of the main channel and the branch channels. Although navigation in such a narrow strip would be difficult, it is feasible and the port would within a year be in a position to serve the supercarriers.

The statements which are to be presented for the record, but which will not be presented orally because of time limitation, will clearly indicate to you the need for improved channel depth to afford greater economy in the cost of transportation and the elimination of the extreme hazards which exist because of ship operations in the present inadequate channels; the changing criteria in ship design which is producing larger and larger ships; the benefits that would accrue to the economy of the city, State, and the Nation through the provision of the deeper channels; and the important part such deeper channels mean to the national welfare and defense during times of emergency.

In closing, I wish to thank the committee for the time you have given the Baltimore interests and to again express to you our sincere hope that our appeal will be given favorable consideration.

Mr. CANNON. Thank you, Mr. Kronau.

Congressman Fallon.

Mr. FALLON. Mr. Chairman, I would like to present the gentlemen who are here today and ask unanimous consent that their statements may be made a part of the record.

Mr. Chairman, first I would like to present General Purnell, who is representing Mr. Arthur Grotz, president of the Western Maryland Railway Co.

Mr. CANNON. General Purnell.

Mr. FALLON. I would like to present Mr. John D. Morris, regional manager of the Pennsylvania Railroad.

Mr. CANNON. Mr. Morris.

Mr. FALLON. I would like to present Mr. George C. Doering, general attorney for the Baltimore & Ohio Railroad, who is representing Mr. W. C. Baker, vice president of the Baltimore & Ohio Railroad. Mr. Baker, because of a previous commitment, is unable to be present today.

Mr. CANNON. Mr. Doering.

Mr. FALLON. And I would like to present Mr. J. W. McElroy, president of the First National Bank of Baltimore. His statement reflects the opinion of the commercial banks.

Mr. CANNON. Mr. McElroy.

Mr. FALLON. And I would like to present Mr. Charles P. Crane, chairman of the board of the Baltimore Gas & Electric Co.

Mr. CANNON. Mr. Crane.

Mr. FALLON. I would like to present Capt. Steven M. Moodie, of the Marven Steamship Co., who is representing Mr. R. J. Jurgen, president of the Marven Steamship Co. and representing all the subsidiary steamship companies of the Bethlehem Steel Corp.

Mr. CANNON. Captain Moodie.

Mr. FALLON. I would like to present Mr. James V. Guthrie, vice president of the Steamship Trade Association of Baltimore, who is here representing Mr. Robert E. Herd, president of the Steamship Trade Association. Because of a conflicting meeting of the trade association, Mr. Herd was unable to be here.

Mr. CANNON. Mr. Guthrie.

Mr. FALLON. And I would like to present Mr. Charles Scarlett, Jr., executive vice president of Ramsay, Scarlett & Co., steamship agents.

Mr. CANNON. Mr. Scarlett.

Mr. FALLON. And Mr. Gerald M. Stein, vice president of the Maryland Shipbuilding & Drydock Co.

Mr. CANNON. Mr. Stein.

Mr. FALLON. Mr. Gerald S. Wise, president of the Baltimore Association of Commerce, was unable to be here today because of a previous commitment. The association is represented by Mr. Edward A. Brannon, director of its export-import bureau.

Mr. CANNON. Mr. Brannon.

Mr. FALLON. And we have a statement by Capt. Howland S. Roberts, president of the Association of Maryland Pilots. Captain Roberts expresses his regrets in being unable to attend this hearing because of a conflicting meeting.

Mr. CANNON. His statement will be included in the record.

Mr. FALLON. And we also have a statement by Mr. Herbert J. Watt, president of the Canton Railroad and Canton Co. Mr. Watt was prevented from being here today because of a previous commitment.

Mr. CANNON. His statement will be included in the record.

(The statements above referred to follow:)

STATEMENT BY W. ARTHUR GROTZ, PRESIDENT, WESTERN MARYLAND RAILWAY CO., BALTIMORE, MD.

Western Maryland Railway Co. maintains one of the major ore handling facilities in Baltimore, representing a total investment of many millions of dollars. Most of this investment represents construction completed since 1950 in anticipation of a great increase in the importation of ore through the port of Baltimore.

It now appears that most of the future ore traffic will be transported from foreign origins in large deep-draft ore vessels. Such vessels when fully loaded will not be able to enter Baltimore Harbor unless the channel is deepened and widened as now proposed.

Baltimore is a major port with important facilities developed over many years for the express purpose of rapid and efficient handling of bulk cargoes, particularly ores. These commodities, and particularly iron ore, are commerce of major importance to this country.

Consequently, it appears to me to be obviously a matter of more than mere local concern that Baltimore, as one of the major ports of the Nation, be provided with access facilities sufficient to enable it to handle commerce which is of vital importance both from the standpoint of industry and national defense, and which Baltimore is particularly prepared to handle efficiently. The provisions for this adequate access can come only from the Congress. I urge the committee to include $7 million for this work in its recommended appropriations for the coming fiscal year. The need for this sum has already been described to the committee in hearings on this same subject last year.

There is also the matter of long-needed and congressionally approved projects for widening, straightening, and deepening the Chesapeake & Delaware Canal.

I learn that there is at present included in the budget for this work only the sum of $103,000 which will be devoted entirely to planning activities. I am further informed that the U.S. Army district engineer at Philadelphia, who has charge of the canal work, can manage up to $1,200,000 for work on the canal in the coming fiscal year.

I urge the committee to increase the Chesapeake and Delaware Canal appropriation to $1,200,000 in order that some appreciable progress may be made on this important waterway. Unless appropriations for the canal are increased, the completion of the project which the Congress has long since approved may be 20 to 25 years away. Meanwhile, the port of Philadelphia, as well as the port of Baltimore, will suffer from the fact that the usefulness of the canal will increasingly lag behind the development of foreign and coastwise commerce which it was intended to serve.

STATEMENT BY JOHN D. MORRIS, REGIONAL MANAGER, PENNSYLVANIA RAILROAD, BALTIMORE, MD.

The Pennsylvania Railroad Co. has operating control of 19 berths for ocean-going ships, 9 of which can easily be made suitable for ships having a greater draft than the present channel which leads to them.

With the proposed deepening of the channels in the Chesapeake Bay, it is evident that the entrance channels to the various rivers and the piers in them must follow.

While it will require some dredging and the possibility of strengthening some structures by the property owners, it certainly would be a mistake for any company to be so backward as to not follow the trend of the times to make cargo carriers larger and thereby reduce the cost per unit of measure for transportation. The Pennsylvania Railroad stands ready to match this channel growth with those things necessary to accommodate the larger ships.

Baltimore, being the No. 1 bulk commodity port in the Nation, is deserving of assistance in this matter.

All modes of transportation are increasing in size, and it is necessary that waterways must be deepened if waterborne traffic is to keep abreast. Moreover, while it is not always possible to construct a new pier for additional space to dock ships, larger ships can be docked at existing piers and more cargo loaded or unloaded in less time per unit than could be handled to and from the smaller ships.

The deepening and widening of the main ship channel permits the port of Baltimore to be competitive to other ports; thereby of benefit to the whole Nation.

As the representative of the Pennsylvania Railroad, we respectfully urge that the appropriation requested for the Baltimore Harbor deepening be given the full consideration of this committee.

STATEMENT OF W. C. BAKER, VICE PRESIDENT, THE BALTIMORE & OHIO RAILROAD CO., BALTIMORE, MD.

I appreciate this opportunity of submitting a statement on behalf of the Baltimore & Ohio Railroad Co. supporting the requested increased appropriations for improvement of the Baltimore Harbor and channels and improvement of the Chesapeake & Delaware Canal.

This railroad company concurs in the view that the requested increase to $7 million of the appropriation for the deepening and widening of the Baltimore Harbor and channels is the minimum amount required to get such work started in a manner which will result in foreseeable practical benefits.

Similarly, this company believes that the $103,000 budget item for the Chesapeake & Delaware Canal should be increased to $1,200,000 in order that the work on that canal, which was approved by Congress in 1954, may be progressed in a serious manner. The deepening and widening of the C. & D. Canal so that it can handle ships with a 35-foot draft is imperative so that there may be full utilization of the facilities of the port of Baltimore as a gateway for large modern ships.

Improvement to modern day standards of the Baltimore Harbor and channels and of the C. & D. Canal is essential to the Baltimore & Ohio Railroad Co. The vital interest of the Baltimore & Ohio in waterborne traffic is evidenced by the fact that this company first started constructing piers and pier facilities in Baltimore about 100 years ago. The present-day value of these facilities is well over $100 million. Recent improvements include our Curtis Bay ore pier completed in 1951 at a cost of $5 million; our Locust Point fruit terminal completed in 1958 at a cost of almost $4½ million; and the Hawkins Point marine terminal completed in this company's behalf during 1959 at a cost of almost $3½ million.

In addition to the foregoing direct investment in piers and pier faclities, the Baltimore & Ohio has also spent about $3½ million for dredging of channels adjacent to its piers, of which about $2¼ million has been spent since about 1944.

We have already dredged the waters adjacent to our Curtis Bay ore pier to a depth of 39 feet in anticipation of an increase in the 35-foot depth of the approach channel into Curtis Bay to accommodate the large ore carriers. The present channel limitation prohibts use of our ore pier by ships with cargoes of

over 35,500 tons and the trend is well-known toward larger ore carriers with 60,000-gross-ton capacity. The inability to handle these larger vessels because of the 35-foot channel limitation is a severe handicap, resulting in loss of business to the Baltimore & Ohio as well as the port of Baltimore.

The importance to the Baltimore & Ohio of handling waterborne traffic at Baltimore is further shown by the fact that in 1959 this company handled 5,984,041 tons of such traffic, with resulting gross revenue to the company of $16,023,437. This is a sizable chunk of business to the Baltimore & Ohio Railroad and would be increased if the harbor improvements were made. It is obvious that the Baltimore port, together with the C. & D. Canal, must be improved if the Baltimore & Ohio Railroad is to have the opportunity to participate in the increasing volume of traffic handled by the larger size ships. Accordingly, the Baltimore & Ohio strongly urges that the requested increased appropriations be approved so that the important work of improving the Baltimore Harbor and channels and the C. & D. Canal may be started as promptly as possible.

STATEMENT BY J. W. MCELROY, PRESIDENT, FIRST NATIONAL BANK OF BALTIMORE, BALTIMORE, MD.

A group of representatives of the commercial banking interests in Baltimore has taken under consideration this question of channel depth, arriving unanimously at the conclusion that the prosperity of our city and State are inseparably tied to the activity in the port.

Adequate statistical presentation will be, or has been made, to the committee, furnishing testimony to the vital contribution which the port makes to our economy. As bankers, the prosperity of our community, present and future, is a question of the greatest concern. Our concern becomes magnified when we are confronted with obstacles in the path of continued development. Our present channel limitations constitute such an obstacle. The adverse effect has already been felt by a few industries who are directly concerned, but the impact is not yet widespread. That is the situation today, but we also are aware of a trend in the shipping industry toward larger vessels of deeper draft. If present day ships cannot enter our port fully laden because of depth limitations, what of tomorrow's, several of which, by the way, are already in advanced stages of construction.

The need for deeper water becomes more pressing each day, and its significance penetrates beyond our own concern for the local economy. It concerns a vast segment of industry in our own Midwest which historically looks to Baltimore as the link to ocean trade routes. More broadly, consider that our Nation increasingly depends on world sources for a widening list of raw materials essential to our current production levels. Our dependence on these importations is already manifest in certain basic ores and petroleum; commodities which, by their nature, are hauled in large single loads, and for the carriage of which, our larger ships have been principally designed. Baltimore figures prominently in this area, and our port activity depends highly on this sound base. The industries concerned are well-established and integrated in our economic structure. We need them today as we will need them tomorrow, but we know that we must provide the facilities which will induce their expansion rather than set obstacles before them. We can think of no greater disservice to our community than to allow industries to lessen their activity because we failed to encourage the development of adequate facilities.

In the present case, deepening our Baltimore channel system to 42 feet and the Chesapeake & Delaware Canal to 35 feet, the adversities are apparent today. The trends which will aggravate these adversities are clear. Because we are apprehensive of the consequences which these developments may ultimately bring to our community, the commercial banking interests strongly endorse the immediate undertaking of the channel projects with the appropriation of $7 million for Baltimore Harbor and $1.2 million for the Chesapeake & Delaware Canal.

STATEMENT BY CHARLES P. CRANE, CHAIRMAN OF THE BOARD, BALTIMORE GAS & ELECTRIC CO., BALTIMORE, MD.

The economic well-being of the Baltimore metropolitan area and of Maryland is closely related to and dependent upon adequate facilities to serve the strategically located port of Baltimore.

Our population has been growing at a rate appreciably above the national average and great expansion has taken place in our industrial and commercial activities. The Baltimore Gas & Electric Co., of which I am chairman, has more than doubled its investment in plant facilities in the past decade and during the next 5 years expects to invest over a quarter billion dollars in additional expansion.

To maintain this growth in our economy, it is necessary that our port facilities be kept up to modern competitive standards. For a major seaport, the ability to accommodate the growing numbers of large deep-draft vessels is of vital importance.

In September 1958, I had the privilege of serving as cochairman of a group of 34 senior Baltimore businessmen who visited 10 major ports in England, Holland, West Germany, Belgium, and France. It was evident everywhere among European business leaders that they attach key importance to the need for providing completely adequate and modern port facilities. It is equally significant that world trade is becoming more and more competitive and Baltimore, as one of our Nation's leading ports, must be in a position to make full use of its excellent harbor if it is to contribute its share in maintaining U.S. world economic leadership.

It may be interesting to this committee to know that another similar group of Baltimore businessmen will be leaving shortly for a trade tour of leading South American cities in the interest of developing further trade through our port.

The Baltimore Gas & Electric Co. strongly endorses the authorized proposals for the deepening and widening of the Baltimore Harbor channels and the Chesapeake & Delaware Canal, and urges this committee to provide the U.S. Army Corps of Engineers with sufficient funds to do the work they are prepared to handle in the coming fiscal year.

STATEMENT BY ROBERT P. JURGEN, PRESIDENT, MARVEN STEAMSHIP CORP, REPRESENTING THE SUBSIDIARY STEAMSHIP COMPANIES OF BETHLEHEM STEEL CORP.

My name is Robert J. Jurgen. I am president of the subsidiary steamship companies of Bethlehem Steel Corp. which transport or charter Bethlehem's inbound and outbound water traffic, including ore to its Sparrows Point plant at Baltimore and import ore ultimately destined to its inland plants.

The importation of iron ore by the steel industry has risen tremendously in the last decade. In 1950, for example, these imports totaled 9,300,000 net tons, whereas in the year 1959, this total soared to 40 million net tons. It is estimated that Bethlehem's import ore tonnage through the port of Baltimore alone will range from 9 million to 10 million net tons annually for the next few years.

The rapid rise of import ore has resulted in a similar increase in the number and size of ore carriers required to transport this ore from foreign sources. To move this ore economically, vessels of greater deadweight capacity are mandatory. We presently have, under charter, ore carriers of 45,000 tons deadweight operating into the port of Baltimore. While these vessels have the deadweight capacity to arrive in Baltimore at a draft slightly over 38 feet, this draft cannot be attained, since the existing channel depth prevents the utilization of this potential. We are compelled to short load each vessel by approximately 1,800 tons each voyage, in order to transit these channels with some degree of safety. The cumulative effect of this loss of tonnage has been, and will continue to be, sizable until such time as increased depths are provided to permit these large carriers to operate their full capacity. The proposed 42-foot depth will also provide greater flexibility in our operations, since it will permit the utilization of larger vessels with drafts of up to 40 feet.

For years now, the design criteria for large ore carriers has been seriously hampered by limited drafts into the ore discharging ports, particularly Baltimore. Every foot of draft gained in vessel design lends toward greater economy in the cost of transportation. It is imperative, therefore, that these ports maintain pace commensurate with the technological advances in the marine industry, not only for economy in transportation, but for the well-being of related industry in the port of Baltimore and throughout the country.

Another matter of concern is that pertaining to the existing 600-foot channel width. The fact that large ore carriers and tankers, with beams in excess of

100 feet, transit the Baltimore channels is conducive to the possibility of collision. In order to alleviate this condition, it is of utmost importance that these channels be widened an additional 200 feet.

Improvements contemplated for the Chesapeake and Delaware Canal are also of great importance to our foreign, coastwise and intercoastal operations. The intercoastal vessels, for example, are currently limited to a draft of 24 feet in this waterway when proceeding from or to Baltimore and Philadelphia. This seriously hampers the operation, not only from the viewpoint of limiting the cargo carried, but also the resultant stowage problems to maintain an even keel at 24 feet. Congestion in the canal, due to the confined channel widths, bad bends and bridge abutments, has proven very costly in loss of ship's time and standby time for stevedores. Our coastwise and intercoastal vessels transit this waterway a total of approximately 190 times a year; therefore, the cumulative loss over this period is substantial.

Another benefit to be derived from the projected improvements in the canal concerns the movement of large ore carriers in ballast from Baltimore to the Delaware Capes bound for the Port of Seven Islands, Canada. Presently, vessels bound from Baltimore to Seven Islands are required to proceed via the Virginia Capes since the existing physical dimensions of the Chesapeake & Delaware Canal prohibit the use of the shorter route via the Delaware Capes. The extra steaming distance via the Virginia Capes amounts to 184 miles which represents half a day in ship's time, plus the additional fuel consumption to traverse this distance.

The problems set forth herein, which have existed for many years, could be resolved by altering the existing characteristics of the waterways approaching the Port of Baltimore to cope with the ever-changing and ever-advancing demands of the maritime industry.

I strongly urge, therefore, that positive consideration be given to appropriating sufficient funds to afford immediate relief.

STATEMENT BY ROBERT E. HERD, PRESIDENT, STEAMSHIP TRADE ASSOCIATION OF BALTIMORE, INC., BALTIMORE, MD.

The Steamship Trade Association of Baltimore, Inc., whose 48-member companies make up the great majority of the maritime industry in the port of Baltimore, include vessel owners, operators and agents, pilots, stevedore contractors, ship ceiling contractors, ship maintenance and cleaning contractors, watchman contractors, line-handling contractors, terminal operators who are directly engaged in the loading and discharging of cargoes and passengers, or otherwise serving the requirements of vessels in the port of Baltimore.

This association exerts a great deal of influence on the economy of the port, both directly and indirectly. Directly, our members are engaged in the operations of approximately 80 percent of the 6,000 vessels that call at the port of Baltimore each year. The member companies provide employment for 5,000 members of labor weekly, with a payroll of approximately $1 million.

Indirectly, the figures show that every deep sea vessel calling at Baltimore and remaining 3 or 4 days, leaves behind, in business transacted through the purchase of stores, fuel, equipment and repairs, tugboat services, crew recreation, and other items, an average in excess of $40,000 for these services.

The trend in ship construction for the past few years has been toward longer, wider, and deeper draft vessels—particularly those vessels engaged in the carrying of bulk cargoes. Many of these vessels are in operation today, while others are being added from day to day, and from all appearances, it seems that the aforementioned trend is to even larger and deeper draft vessels.

It is not difficult to foresee that if Baltimore Harbor channels are inadequate to accommodate the vessels, shipping will seek a port where it can be accommodated. This can only have an adverse effect on the economy of the port.

The port of Baltimore has rather consistently maintained its position as the second port in the United States in the volume of cargo handled. Bulk cargo accounted for the largest percentage of the total tonnage. It is thus apparent that this class of cargo is of prime importance to the overall economy of Baltimore.

There are large bulk carriers today arriving in the port of Baltimore, which are carrying less than capacity loadings because of insufficient draft in the present channel.

Due to the tremendous importance of these improvements, the Steamship Trade Association of Baltimore, Inc., wholeheartedly supports the appeal for an appropriation of $7 million for the Baltimore Harbor channel system, and also an appropriation of $1,200,000 for the Chesapeake and Delaware Canal, which is also very vital to the port of Baltimore.

STATEMENT BY CHARLES SCARLETT, JR., EXECUTIVE VICE PRESIDENT, RAMSAY, SCARLETT & CO., INC., BALTIMORE, MD.

As operators of the Baltimore & Ohio Railroad's Curtis Bay ore-discharging pier, we would like to present a case in point. This facility was completed in 1951 with a dredged depth of water of 39 feet adjacent to the pier. At this time it was understood that the approach channel into Curtis Bay from the main channel would be deepened from 35 to at least 39 feet to allow for the larger bulk carriers that were then in prospect. This dredging has not materialized, and since that time even larger bulk carriers than contemplated have come into common use.

In 1957 we handled approximately 236,000 tons of Labrador iron ore for account of our largest customer, Republic Steel Corp. In 1958 they substituted larger ships of the *Free State* and *Cuyahoga* class, which draw 36 feet. We could not accommodate these vessels with only a 35-foot branch channel into the pier; therefore, in 1958 this quarter of a million tons of ore went elsewhere.

Such carriers as the 60,000-ton *Ore Chief* and *Ore Titan* cannot come in fully loaded, but we have had them with part cargoes.

We have no way of knowing just how much ore tonnage has been lost to Philadelphia and Newport News, which offer deeper water all the way into their new ore docks.

The trend toward longer, wider, and deeper bulk carriers causes us even greater concern for the future, and we urge that every consideration be given to putting this dredging work in hand at the earliest possible time.

We strongly recommend that the Congress approve the appropriations recommended here today.

STATEMENT BY GERALD M. STEIN, VICE PRESIDENT, MARYLAND SHIPBUILDING & DRYDOCK CO., BALTIMORE, MD.

The continued growth of the port of Baltimore is of vital importance not only to the increasing number of industries located along its 46 miles of waterfront, but also to the economy of a vast area of our country far removed from the port.

This fact, combined with the findings of the Corps of Engineers that this project carries the extremely high benefit-cost ratio of 4.95 to 1, was undoubtedly an important factor in causing the Committee on Public Works to include this project in the authorization approved by the Congress in 1958.

We in the shipbuilding and ship repair business are vitally interested in the deepening and widening of the channels leading to and in the port of Baltimore, as they will provide the means by which ships of greater draft and larger size will make Baltimore a port of call.

The 42-foot channel is an absolute necessity for the handling of the many larger tankers and bulk carriers now operating and the increasing number that will enter service in the near future.

Another project of vital importance to shipping on the east coast of the United States from New York to Norfolk-Newport News, including two of its largest ports, Baltimore and Philadelphia, is the deepening and widening of the Chesapeake and Delaware Canal.

Now that the bridges over this canal have been built or are planned for reconstruction in the near future, it is urged that the dredging be started promptly in order that the full potential of this important waterway, connecting the Chesapeake Bay with the Delaware River, be completed with minimum delay.

Because of the expected continued growth of the port of Baltimore, our company is constantly improving its facilities, having spent over $9 million on such improvements during the past 10 years.

It is our confident expectation that shipping in the port will continue to increase, with its resulting benefits to our national economy and to those of us who serve its foreign trade.

STATEMENT BY GERALD S. WISE, PRESIDENT OF THE BALTIMORE ASSOCIATION OF COMMERCE, BALTIMORE, MD.

I am Gerald S. Wise, president of the Baltimore Association of Commerce, the leading commercial organization in Maryland, with a total membership of 2,300 business and industrial firms and individuals.

For more than 35 years, the Association of Commerce has been active in the commercial and physical development of the port of Baltimore, with particular reference to the improvement of navigation facilities essential to the port's growth and its services to shipping and waterfront industry.

To appreciate Baltimore's position with respect to the need for larger Federal appropriations for its main channel system and for the Chesapeake & Delaware Canal, it is important to recognize the economic importance of the port to the entire Baltimore metropolitan area.

The port of Baltimore and its commercial and maritime activities constitute the No. 1 asset to the economy of the city. It also exerts a powerful influence on the economy of the entire State of Maryland.

The port is a dominant factor in the job security of the 680,000 persons employed in the Baltimore area, including industrial employment of nearly 200,000, with annual payrolls of more than $1 billion.

More than a third of our total industrial employment is in Baltimore's numerous waterfront industries, employing 65,000 persons and paying some $350 million annually in wages and salaries. The well-being of these industries and their employees depends in large measure upon harbor channels deep and wide enough to permit today's bulk-cargo movements such as metallic ores and petroleum, which require the largest freighters now in oceangoing service. It is essential that these vessels operate with full loads, and this they cannot now do.

The employment created by the industrial and maritime activities of the port of Baltimore is a powerful factor in the prosperity of our metropolitan area population of 1,771,000. Approximately $150 million is contributed annually to the area economy by the servicing of the 6,000 deep-draft ships and 40 million tons of cargo which use the port each year.

In an effort to increase the business of the port of Baltimore, including imports of metallic ores, petroleum, and other bulk commodities requiring the largest freight vessels afloat, 25 leading Maryland businessmen are leaving April 24 on a South American trade development tour involving 4 weeks of travel in six major countries at their own expense. This is an example of the initiative being taken by private enterprise in the advancement of our port.

The business interests of Baltimore and Maryland are strongly of the opinion that the channel and canal improvement projects, both of which have a high ratio of economic justification, are vital to the economic health of the State of Maryland, and the projects must be gotten underway this year in substantial form if Baltimore is to retain its position as a major world seaport and center of waterfront industry.

We regard the $7 million requested for beginning work on the main Baltimore Harbor channel project, and the $1.2 million requested for the highly important Chesapeake & Delaware Canal project, as minimum requirements in both the local and national interest.

This committee is respectfully requested to give its approval to these reasonable appropriation requests.

STATEMENT BY CAPT. H. S. ROBERTS, PRESIDENT OF THE ASSOCIATION OF MARYLAND PILOTS, BALTIMORE, MD.

During the past 10 years the size of the merchant vessels using the port of Baltimore has increased by leaps and bounds. Ten years ago, the largest cargo vessel coming into Baltimore carried approximately 22,000 tons of cargo. Today we have ships on a regular run to Baltimore that can carry 63,000 tons or more, if fully loaded. Many of these ships could carry more cargo, but because of the lack of deep water they are limited to the amount of cargo they can carry.

With the increase in the capacity of the present-day vessels, the draft of the vessels has also increased. For example, the large ore carriers that supply the steel industries have arrived in Baltimore drawing as much as 38 feet 7 inches. Our channels, and many areas in the bay, have only 39 feet of water. As you can see, there is no room for a mistake when one of these vessels is on her way to Baltimore.

Just to give you gentlemen an example of the size of these ships, I would like to quote some of their dimensions. The SS *Cosmic* is over 745 feet long and has approximately 700 feet of ship in front of the bridge, or wheelhouse. This is approximately 2½ football fields in front of the person doing the navigating. Her beam, or width, is more than 100 feet. There are larger vessels than the above mentioned that trade in Baltimore and they too cannot load a full cargo because of the lack of deep water. For example, the SS *Ore Chief* and her two sister ships have a length of 800 feet, a beam of 116 feet 5 inches, a draft of 41 feet, and a capacity of 63,000 tons. Ore carriers are not the only ones which must enter Baltimore Harbor "light loaded." Standard Oil has several 37,800-ton tankers that have been forced to carry a light load for the same reason.

Some of the vessels are so large that it requires the use of at least two tugboats to assist in turning the ship from the main channel leading to its berth. One of the reasons for this needed assistance is because the ships are so close to the bottom they do not have their full rudder power. A second reason for the tugs is that the present 600-foot-wide channels are not sufficiently wide to allow these giant ships to turn into an auxiliary channel under its own rudder power. There have been numerous times that these ships have struck the bottom in the bay, or while in the center of a buoyed channel, simply because there is not sufficient water in the Chesapeake Bay and the Baltimore channels.

Let us not forget that the water at Cape Henry is salt water and in Baltimore Harbor it is almost fresh. Because fresh water is less buoyant than salt water, a ship entering Cape Henry will require as much as 12 inches more water in Baltimore than at Cape Henry. For example, a ship drawing 38 feet of water at Cape Henry may draw 39 feet when it arrives in Baltimore. This is another reason for the ships being forced to load at a lighter draft when bound to Baltimore.

When a vessel is close to the bottom, there is a natural tendency for her to steer badly. There have been at least 15 cases this past year when one of these big ships has sheered, even though proceeding at slow speed, and almost struck an outgoing ship. If one of these near misses had hit, the resulting collision would no doubt have closed the entire port of Baltimore for a long period of time, to say nothing of the possible loss of life.

The tendency of the shipowners of today is to build what may be termed "superships." Several of the shipowners and operators in Baltimore who have constructed, or represent, the giant "superships" and also some terminal owners have spent their own money dredging their private channels to a greater depth just to accommodate the deeper loaded ships. For example, the Baltimore & Ohio Railroad has dredged their ore pier channel to 40 feet or more and Standard Oil has dredged their channel to approximately the same depth. Bethlehem Steel and Canton Railroad have also dredged their private channels to a greater depth than in the public channels.

Although the above companies have dredged their own channels, at their own expense, they cannot get the fully loaded "superships" into their piers until the main ship channels and the approaches to them are widened and deepened.

If the depth of water into Baltimore is not increased immediately, the economy of the entire State of Maryland shall suffer to an ever-increasing degree. When a ship cannot carry a full load, the owners lose money. If Baltimore cannot accommodate a ship drawing 40 or 41 feet, the owners will send her to a port that can. This present threat is the reason the State of Maryland, which derives approximately 60 percent of her income directly and indirectly from the port of Baltimore, will suffer.

The U.S. Army Corps of Engineers has endorsed the proposed deepening of the channels and approaches to Baltimore with the highest recommendation they can give, because they realize that this is a dire necessity for the people of the city of Baltimore, the State of Maryland, and the United States.

During World War II and the Korean war, thousands and thousands of tons of cargo were shipped out of Baltimore to our troops. In conjunction with these exports, millions of tons of ore and oil were imported to Baltimore to make steel for the necessary armaments our troops needed. Today the ships carrying these essentials could not load a full cargo and enter our harbor.

The thousands of people who derive their living from the port of Baltimore are not the only persons who will suffer if the $7 million is not appropriated for the deepening of the channels. There are thousands and thousands of people in the Midwest who derive their living from the people who ship their products through Baltimore. The reason the Midwest shippers use the port of Baltimore

is because it is much closer inland to them than any other major east coast seaport. If the midwestern shippers were forced to ship through another port, the costs would necessarily be much greater.

In conclusion, I would like to plead for this year's Congress to allocate the necessary $7 million to dredge the Baltimore channels and approaches to the proposed 42-foot depth. If this is done, not only will the State of Maryland benefit, but many of the Midwestern States will also receive an indirect benefit.

STATEMENT BY HERBERT J. WATT, PRESIDENT, CANTON CO., BALTIMORE, MD.

Mr. Chairman and members of the committee, 1960 stands as no commonplace year with our people in the United States. It is a year when we shall elect a new President and Members of the Congress as prescribed by the Constitution. It is a census-taking year, and the opening of a decade which must call for the best in our responsible citizenry. Our place among nations seems to demand that we examine the use we make of all we possess if we would survive and take our place in the world.

We of business in Baltimore and in Maryland hold ourselves ready to do as the Congress and others in authority over us shall require to achieve such place. We respect the grave responsibilities of your committee, and believe it to be your desire that we be frank: (1) in saying our community is careful, and has been historically, to abstain from asking at any time for what it can provide itself or do without; and (2) in telling you that a circumstance beyond our power to control, yet quite proper in itself and characteristic of the strength and genius of the country, places us where we must come to the committee for help. We speak of the influence upon the port of Baltimore of the large bulk carriers which more and more are coming into service in moving the commodities which provide the livelihood of large numbers of our people directly and of uncounted numbers indirectly in many and diverse fields. The threat is that unless our harbor is deepened and widened in its main channels to take with safety these large carriers fully loaded, we are faced with catastrophe. The effect of this upon our work force and the well-being of the State is beyond calculation. Perhaps one has to have lived here, and to have had intimate responsibility in the complexities, to be able to accept the truth of a statement so far reaching. It is, for example, not too much to say that a company like my own, chartered in Maryland some 130 years ago, would be forced out of business in a short number of years if the appropriation here requested be denied.

The business of the State of Maryland was built to this important degree upon the usefulness of these waters. If that usefulness falls behind because we neglect to make the committee aware of our need, the fault is ours. We respectfully urge the committee to grant its approval to the plea we make for the $7 million required to get the job underway.

The unwisdom of permitting commodities of strategic importance to come into or to leave the country without use of this port for want of this modest development of a facility so long employed as Baltimore has been, with a good record with the Federal Treasury Department, needs no urging upon your committee, we are sure.

Neither does the peace of mind which all of us could share, in Baltimore and the country at large, in the knowledge that this wonderfully fortunate natural resource is fit for a time of national peril.

We respectfully ask again, in this important year, for your support in a need which cannot wait if it is not to be too late.

STATEMENT OF SENATOR J. GLENN BEALL OF MARYLAND

Mr. FALLON. Mr. Chairman, I have also a statement of Senator J. Glenn Beall, of Maryland.

Mr. CANNON. Senator Beall's statement will be included in the record at this point.

(The statement follows:)

The budget for fiscal year 1961 includes $1,500,000 to begin the work of widening and deepening the Baltimore Harbor Channel. I appear today, not only to assist in the initiation of a most needed project, but to urge that the committee increase this item to $7 million.

This project was authorized by Congress in 1958 at a total cost to the Federal Government of $30 million. It is significant to note that the benefit-to-cost ratio of the project is 4.95 to 1, certainly among the highest in the country.

Baltimore Harbor is the largest bulk cargo seaport in the United States. In order to continue to service modern day ore carriers and tankers, it is essential that the channel's depth and width be enlarged to keep pace with the ever-increasing size of our ocean freighters.

Those ships that carried 20,000 tons of cargo 10 years ago have been replaced with ships that have almost three times that capacity. Under present conditions, these ships must limit their cargoes to less than capacity in order to make use of the Baltimore Harbor facilities.

I do not exaggerate when I say that the future of the Baltimore Harbor is at stake. Unless sufficient funds are appropriated now, bulk carriers, as a matter of necessity, will turn to other ports. Should this be allowed to occur, some 80,000 jobs will be affected along with the industries which service the harbor.

The Maryland Port Authority and Maryland industry are expending millions of dollars to improve the facilities of the harbor. This work will go for naught unless the channel is improved to allow modern carriers to enter the harbor and make use of the improved facilities.

As previously mentioned, the anticipated cost of completing the project is $30 million. If the funds are appropriated in portions along the lines of those in the present budget request, it will be 20 years before the necessary work is completed. This would be folly. The Baltimore Harbor cannot exist for that length of time under present channel conditions. Even with the $7 million appropriation, completion of the project would require more than 4 years.

The increased depth is needed now if Baltimore is to continue as the great harbor which we know it to be.

I have been advised that the $7 million can be used immediately to deepen the inbound lane to the harbor, thus allowing the large bulk carriers to enter and unload. In this way, operations could continue without the danger of economic disaster that would otherwise result from the loss of trade.

I urge that this committee increase the present request of $1,500,000 to $7 million.

Also before the committee is a request for $103,000 in connection with previously authorized projects on the Chesapeake & Delaware Canal. These funds would be used for planning. No provision, however, is made for construction.

In this instance, I urge that the committee increase the requested amount to $1,200,000. This would permit dredging of the canal which is phase II of the project.

Considering the total cost of the project, that is estimated at $106,800,000, of which $98,500,000 remains to be spent, it can readily be seen that $103,000 would hardly permit phase II to get off the ground.

The Chesapeake & Delaware Canal is of great importance to the future of Maryland's maritime commerce and the project should be allowed to proceed in an orderly and expeditious manner.

Mr. FALLON. Mr. Chairman, I would like to introduce a colleague from Maryland, Mr. Edward A. Garmatz.

Mr. CANNON. Congressman Garmatz, we are glad to have you with us. You may proceed with your statement.

STATEMENT OF REPRESENTATIVE EDWARD A. GARMATZ OF MARYLAND

Mr. GARMATZ. Mr. Chairman and members of the committee, with the whole economy, not only of the city of Baltimore, but of the entire State of Maryland, dependent upon the port of Baltimore and its activities, you can readily understand our dismay at the small amount of $1½ million included in the budget for the deepening and widening of the Baltimore Channel.

Despite the statement of the Army Corps of Engineers that the benefits to be derived from a deeper channel in the Baltimore Harbor would be greater per dollar spent, than on any other channel project now pending; and the President's statements that he would not ap-

prove funds for the initiation of any new projects; funds for other new projects have been approved by both the Congress and the President, while the Baltimore Channel project has been hanging fire since 1947, notwithstanding the continued concerted efforts of the Maryland delegation to obtain approval of adequate funds.

At the present time, the average medium-sized vessels cannot enter the Baltimore Harbor fully loaded. Under such conditions, what possible prospects can we have of securing shipments for the port when the larger ships, now under construction, are put into service?

Our port is primarily a center for the handling of bulk cargoes, but at present only those ships can use our port which are not fully loaded. As long as 2 years ago, the owner of a 46,000-ton ore carrier said he lost $25,000 on every voyage into Baltimore because he had to shortload his ship to bring it in there.

The present 39-foot channel is not able to meet the present needs. While more than a 42-foot channel is desirable, even the additional 3 feet will provide a greatly needed improvement. Just last month, two ships, one small sized and one medium sized, went aground in the harbor, within a few hours of each other, emphasizing the problem now existing with the 39-foot channel.

If the fully loaded medium-size vessels and larger ones, must continue to bypass the port, it will not be too long before the business is lost completely to other east coast ports with adequate channels.

The State of Maryland, through the Maryland Port Authority, is spending millions of dollars in improving the port facilities, and private industry is cooperating to the fullest extent in this improvement program. But we are now reaching the point where additional help must be had from the Federal Government to permit the use of the port's facilities to meet the pressing need. Failure to obtain this help will mean the ultimate deterioration of the shipping industry there.

This would be a disastrous blow, not only to the economy of the city and State, but to the entire Nation, in the event of another emergency. In World Wars I and II and the Korean conflict, the port of Baltimore was one of the best outlets on the east coast for shipments of munitions, equipment, and supplies because of its strategic and sheltered location. Unless the port can continue to obtain an adequate amount of commercial shipments in normal peacetimes, the facilities will not be available for emergency use.

The amount of $1½ million requested in the budget would not be sufficient to get the digging underway in fiscal 1961, and the longer the project drags on, the higher the cost will be, at the steadily increasing costs. Therefore, a minimum amount of $7 million is necessary to prevent any loss of time in getting the work underway during the coming fiscal year.

It is difficult, if not impossible, for Marylanders to understand the reasoning behind the administration's request for $1½ million for vitally important work on a project that is so important to a port which has consistently ranked second in volume of foreign tonnage handled, when at the same time, it has recommended $11 million for additional work on the Delaware River channel, which is primarily for the benefit of a single steel company. Could this be another example of the administration's favoritism to big business?

Another item which is of great concern to the residents of Maryland, is the work of the improvement of the Chesapeake & Delaware

Canal. This was approved by the Corps of Engineers 10 years ago, but only a token beginning has been made in all this time. The entire program is expected to cost $106,800,000, if prices do not continue to rise. The amount requested in the budget is $103,000. This would permit some planning work only. To get on with the construction, a minimum appropriation of $1,200,000 is necessary.

You will realize that the longer these two projects are delayed, the greater will be the eventual cost to the Federal Government, with a tremendous loss to the State of Maryland in the meantime, and possibly disastrous consequences to our national defense in case of another emergency.

Therefore I strongly urge the members of the committee to consider all of these factors very carefully, keeping in mind that the approval of at least $7 million for the widening and deepening of the Baltimore Channel, and a minimum of $106,800,000 for the work on the Chesapeake & Delaware Canal at this time, will, in the long run, be most economical for the Federal Government, which has the responsibility for the main channels leading into port areas.

Mr. CANNON. Thank you, Congressman Garmatz.

Mr. FALLON. Mr. Chairman, Congressman Friedel, of Maryland, would like to present a statement.

Mr. CANNON. Congressman Friedel, we are very glad to have you with us this morning and you may proceed with your statement.

STATEMENT OF REPRESENTATIVE SAMUEL N. FRIEDEL OF MARYLAND

Mr. FRIEDEL. Mr. Chairman, members of the committee, I wish to thank you for giving me the opportunity to appear before the committee this morning in order to present my views on this matter so vital to the city of Baltimore and the State of Maryland. We are glad to have with us officials of the Maryland Port Authority who can explain our problem to the satisfaction of this committee. However, I would like to say a few words in support of our request for funds to begin construction of the Baltimore Main Channel project and the improvement of the Chesapeake & Delaware Canal.

Our Baltimore Harbor is one the Nation's leading ports and is noted particularly as a bulk cargo port. No other port in the United States has equal facilities for handling bulk cargo. Based on foreign import and export tonnage, Baltimore is the second largest port in the Nation.

The port of Baltimore is unique among North American ports in having two deepwater routes to the sea. The northernmost route is through the Chesapeake and Delaware Bay. The canal, which is operated by the Corps of Engineers, provides a short, protected route from Baltimore to other leading North Atlantic ports. The other route to the sea is the southerly course down Chesapeake Bay to the open ocean off Hampton Roads, Va.

I just wanted to point out these few facts to impress upon the committee that the port of Baltimore is important, not only to the city of Balimore and the State of Maryland, but to the economy of the entire Nation. It is a major center for the handling of metallic ores, petroleum, and other bulk cargoes, and the future of the port is largely dependent on the deepening and widening of the main channels connecting Baltimore Harbor and the trade lanes of the world.

The President has recommended that the sum of $1,500,000 be appropriated to begin construction of the Baltimore Main Channel project. I would like to say to this committee that this sum is completely unrealistic and inadequate. A minimum of $7 million is required this year if the channel program is to be advanced in a realistic manner. Even though the committee has refused to give us the necessary appropriation in the past, not one responsible Government agency or person has seriously question the urgency of this project.

I have heard that some of the members of the committee ask "Why doesn't Maryland build her own port?" I would like to remind this committee that the Maryland Port Authority is expending millions of dollars of State funds in improving the facilities at the port of Baltimore. Private industry in Maryland is working hand in hand with us in this major development program but it is obvious that we do need the cooperation of the Federal Government if Maryland is to share in expanding world commerce. This is not just a project for the benefit of Maryland—it is a project which will benefit the economy of the entire country.

No money has been approved by this committee for improvements in the Baltimore Harbor and Channels since 1954, when $425,000 was appropriated. In 1958 the Public Works Committee authorized $28,161,000 for this purpose but we have not received 1 penny of this amount. I am sure this committee is aware that the report submitted by the Corps of Engineers clearly stated that the ratio of benefits to cost for this project is one of the highest in the country, being 4:95 to 1.

The President's budget only recommends $103,000 for the Chesapeake and Delaware Canal. This amount will only permit additional planning and does not provide for any actual construction work. This is another project that has been approved by the Public Works Committee and the Congress for almost 10 years and we have only received token amounts for planning and nothing for construction.

I am sure this committee is aware that less than $2 million in Federal funds has been provided for the development and improvement of these projects in Maryland. This, in spite of the absolute approval of the Corps of Engineers. In contrast to this amount, many times that sum has been allotted to the improvement of the Delaware River when that project is meant to service only one new steel plant. For example, this year's budget request contains an item of $11 million for this channel to Trenton.

Last year the committee felt that no funds should be provided for these projects because of the President's request that funds were not available for starting any new projects. Nevertheless, you will note that a considerable number of new projects were funded in such States as New York and California last year.

I would like to urge this committee to give favorable consideration to our request for $7 million to start these improvements on the port of Baltimore and the Chesapeake and Delaware Canal, not only because of their importance to Baltimore and Maryland, but because of their importance to world trade and the economy of the entire country.

Mr. CANNON. Thank you, Congressman Friedel.

Mr. FALLON. Our next witness is Congressman Lankford of Maryland.

Mr. CANNON. Congressman Lankford, we are glad to have you with us. Please proceed with your statement.

Mr. BOLAND. Mr. Chairman.

Mr. CANNON. The gentleman from Massachusetts.

Mr. BOLAND. Mr. Kronau, you referred to a benefit-cost ratio of 4.95 to 1. The justifications we have here with respect to the deepening and widening of the Baltimore Channel indicates the benefit-cost ratio of the Corps of Engineers is 3.1 to 1. Why is there such a significant difference? Of course 3.1 to 1 is a good ratio, but I wondered why that difference.

Mr. KRONAU. Could I call on Mr. Davis to answer that?

Mr. DAVIS. The 4.95 to 1 was the benefit-cost ratio furnished to Congressman Fallon by the engineers last year. It is apparently based on a restudy since the report was made in 1955.

Mr. BOLAND. They were here just about a month ago and indicated it was a 3.1 to 1 benefit-cost ratio, which I repeat is a good ratio.

Mr. FALLON. May I say when the Army Engineers presented it before our committee at that time it was 4.9 to 1.

Mr. BOLAND. Thank you.

Mr. CANNON. Proceed, Mr. Lankford.

STATEMENT OF REPRESENTATIVE RICHARD E. LANKFORD OF MARYLAND

Mr. LANKFORD. Mr. Chairman, I will be very brief because much of what I would say would be repetitious, but I think the people here today have impressed you and the committee that this is a worthwhile project not only for Baltimore and the State of Maryland but for the country as a whole.

I myself am 100 percent behind it. I feel we have justice on our side and I hope your subcommittee and the full committee will look with favor on our request.

I ask the consent of the chairman and members of the committee to submit a prepared statement for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

Mr. Chairman, I appreciate deeply the opportunity to appear before your committee in support of what I consider the absolute minimum appropriation for the advancement of the Chesapeake & Delaware Canal and the Baltimore Channel projects. I completely support the remarks of our dean, Congressman Fallon, who has worked tirelessly in behalf of these projects that are of absolute importance to the continued growth of our State and the port of Baltimore. Much of what I say, I realize, will be repetitious, but I consider the matter of such extreme importance to our State that I believe Mr. Fallon's remarks and the remarks of the other members of the Maryland delegation must be reemphasized. As the committee knows, the Baltimore Channel project has been given the greatest possible benefit-to-cost ratio by the Corps of Engineers. No one for a moment can question the urgency of this project. I feel that Mr. J. L. Stanton, executive director of the Maryland Port Authority, has stated the case very well when in his letter to me, dated March 22, he said:

"It is most difficult for Maryland interests to reconcile the appropriation recommended in the President's budget of $1,500,000 when the same budget carries a recommendation of $11 million for additional construction on the Delaware River channel to Trenton. It should be noted that this Delaware River channel is primarily for the accommodation of a single steel company, while the Balti-

more project is to meet the proven necessity of an entire port that traditionally has ranked second in the United States in the volume of foreign tonnage handled."

Quite often here in Congress we run into instances where the States consistently drag their feet on providing resources and funds for programs involving Federal participation, but as the committee well knows, such is not the case here. The Maryland Port Authority, since I have been in Congress, has aggressively pursued its program of improving facilities at the port of Baltimore and has secured the complete cooperation of private industry. Unfortunately, I believe that if the President's budget request is approved the Federal Government will clearly be in a position of "dragging its feet." I, therefore, conclude that the sum of $1,500,000 as recommended by the President is completely inadequate and I urge an appropriation of at least $7 million in order that the channel program may commence in a realistic manner.

The second project is that which calls for the improvement of the Chesapeake & Delaware Canal. This is a program that, as the committee knows, has been approved by the Corps of Engineers for the past 10 years, but tragically only token efforts have been made to date. The sum of $103,000 presently contained in the President's budget will not provide for any actual construction. The Corps of Engineers' district engineer has stated that the sum of $1,200,000 can be beneficially utilized in making a modest beginning on the canal program.

Mr. Chairman, these projects are not questionable projects. They are to fulfill a long-established need. Each year that we delay in failing to face up to Federal responsibility will make the job extremely more difficult in the years ahead. We cannot continue to accept a status quo approach to programs of this magnitude if we are to remain the dynamic Nation that I am sure that all of the members of this committee want us to be.

STATEMENT OF SENATOR JOHN MARSHALL BUTLER OF MARYLAND

Mr. FALLON. Mr. Chairman, I would like to ask the committee's permission to insert in the record a statement of Senator Butler of Maryland.

Mr. CANNON. It will be included in the record.

(The statement follows:)

Mr. Chairman, I appreciate being afforded this opportunity to submit my views on what I consider two projects of prime importance to the State of Maryland: (1) the Baltimore Channel project, and (2) the Chesapeake & Delaware Canal project.

The necessity of widening and deepening Baltimore Channel was realized initially about 13 years ago after which efforts were made to obtain funds. Until the present year, however, when the President of the United States recommended a $1,500,000 appropriation to begin work with, nothing has been forthcoming.

It is my opinion that if the port of Baltimore is to remain a major center for the handling of metallic ores, petroleum and other bulk cargoes it is imperative that the present depth in the main channel of 39 feet and width of 600 feet be increased to at least 42 feet and 800 feet, respectively. The present depth is inadequate to meet the current demands of large bulk carriers of iron ore and petroleum not to mention future needs. These carriers must limit their cargoes to less than capacity in order to utilize the Baltimore facilities. The situation will become increasingly grave as time goes by and supercarriers are built in greater numbers. Shippers will understandingly be reluctant to sail at less than capacity. This will necessarily result in rerouting traffic and a serious loss of revenue to Baltimore.

While it is gratifying to see that the plight of the Port of Baltimore has been recognized by the President, the amount recommended is wholly inadequate to make an effective useful start on the project. Experts feel that at least $7 million are necessary to get a realistic start in a manner that will result in practical benefits in a minimum time.

Seven million dollars would be sufficient to increase the depth of the channel from the present 39 feet to the required 42 feet for a width of about 275 feet on the inbound side of the channel from the ocean to the port of Baltimore

and into the ore terminals located at Curtis Bay and Port Covington. While certain difficulties would be present with a channel of that width, temporary immediate relief would be provided.

A $7 million appropriation per year for 4 years, it is estimated, will be sufficient to complete the entire project. With appropriations at the rate of $1,500,000 per year, about 18 or more years would be necessary to complete the project. Much of the expected heavier traffic would have passed Baltimore by long before that time elapsed.

It is not impossible that an even deeper channel would be needed by that time.

Today, ships of only 46,000-ton capacity push the allowable margins of safety too close for comfort when traveling Baltimore Channel. At least two companies are now building 65,000 ton capacity carriers and others are in existence. An atomic-powered vessel of about 80,000-ton capacity is not unforeseeable. For the owners to get the most out of these ships in efficiency and economy of operation they will have to operate with a capacity load. Those ships could not travel Baltimore's channel until the planned project is completed. They would have to be rerouted to Philadelphia or other ports that can handle them. Once this traffic is lost, it will be difficult or impossible to regain it, competition being what it is.

That bigger ships in increasingly large numbers will be required can be seen by comparing the projected demands for certain products, such as iron ore, to the demands of past years. A recent study showed that in 1957, 34,193,517 metric tons of iron ore were imported into the United States from various countries. The projected demand for 1965 is 60 milliion to 65 million tons. Demands in Europe are also expected to increase proportionately. According to the American Iron and Steel Institute there is no shortage of ore. The shipping companies are, therefore, building larger vessels to provide for more efficient, economical, and rapid transportation of the increased requirements. The same situation exists with regard to oil and tankers. Thus, if Baltimore, and the State of Maryland as well, are to benefit from all this, the channel project must proceed without delay.

It is difficult to understand why the President recommended only $1,500,000 for the Baltimore Channel project when its need has been emphasized by the U.S. Army Corps of Engineers. The corps has established that the ratio of benefit to costs for the project is the highest in the country for this type of program. The project is considered of primary importance by it. Further, it is difficult to reconcile the small appropriation recommended with other larger recommended appropriations for projects which are not nearly as important and have received a much smaller ratio of benefits to cost than the Baltimore project. Even more difficult to understand is the reasoning behind recommending $11 million for additional construction on the Delaware River channel to Trenton. That project will benefit primarily only one steel company while the Baltimore project will benefit an entire port, many, many companies and thousands of citizens. It is my understanding that the Corps of Engineers is reluctant to endorse that project because of its limited benefit.

It is important, Mr. Chairman, if Baltimore is to maintain its position of second in the United States in the volume of foreign tonnage handled, that at least $7 million be appropriated this year. That amount will in the immediate future permit transport through the channel of heavier shipping. That amount is necessary to recapture traffic which has already been lost, and also to prevent future losses. It is necessary if the supercarriers are to utilize the facilities at Baltimore.

The second project important to the future of Maryland's maritime commerce is the improvement of the Chesapeake and Delaware Canal. The Presidential recommendation for this project for fiscal 1961 is $103,000. This small sum would be sufficient only for some planning work. It would preclude any construction work during the coming year on this huge project with an overall cost estimate of $106,800,000.

The purpose of the project is to widen to 450 feet and deepen to 35 feet the existing canal of 250 feet by 27 feet that connects the Chesapeake and Delaware Bays. If this were done, the benefits would be many. Savings to ship operators would be great. The position of the port of Baltimore to ocean commerce would be considerably enhanced. Benefits to the port of Philadelphia and the Delaware Bay areas would be equally great.

This project has been recognized by Congress and approved by the Corps of Engineers for at least the past 6 years. To date only token work has been performed.

The district engineer at Philadelphia which has jurisdiction over the Chesapeake and Delaware Canal estimates that effective utilization could be made this year of an appropriation of $1,200,000.

Mr. Chairman, I have deep interest in the success of both of these projects. I feel that if the port of Baltimore is not to be seriously jeopardized, substantial work on both of them must be effected this year. I am not alone in evaluating the importance of the projects. The Corps of Engineers has made its position clear as have the shipping interests and the Maryland Port Authority.

Mr. Chairman, I strongly urge that your committee approve appropriations of $7 million for the Baltimore Channel project and at least $1,200,000 for the Chesapeake and Delaware Canal project.

STATEMENTS OF REPRESENTATIVE GEORGE H. FALLON OF MARYLAND

Mr. FALLON. And also my own statement on the Baltimore Harbor improvements, and my statement on the Chesapeake and Delaware Canal.

Mr. CANNON. They will be included in the record at this point.

(The statements follow:)

BALTIMORE HARBOR

Mr. Chairman, I appreciate the opportunity of appearing before your committee in support of appropriations for Baltimore Harbor.

The deepening of Baltimore Harbor has been one of the most important projects that I have sponsored since I first came to Congress in 1945. In fact, that was one of my principal reasons in becoming assigned to the Committee on Public Works where I have served ever since. In those years between World War II and the Korean conflict I made every effort to help secure funds, at a time when funds for river and harbor improvements were hard to get, for maintaining the channels and harbor in Baltimore to the already authorized depths.

It became increasingly apparent to me as a result of the use of deeper draft ships that greater depths were needed, so on June 2, 1949, I filed a request with the Committee on Public Works to adopt a resolution calling upon the Corps of Engineers to review the project. This request was referred to the corps for its comments in the customary manner and the reply was received by the committee on July 25 of 1949 strongly recommending a review report. At my urging and based on the favorable report of the corps, the committee adopted a resolution on August 17, 1949, authorizing the Chief of Engineers to undertake the necessary studies.

As you know, after such a resolution is adopted, necessary funds must be procured through your committee and I made every effort to help to secure appropriations. As you know also, I am sure, these engineering studies, particularly complex ones, involving major harbors and great traffic movements, require considerable time. I kept in constant touch with the Corps of Engineers through the Office of the Chief of Engineers and the Baltimore District Office to make sure that this study was not unduly delayed. Finally, on October 1, 1956, the preliminary report of the district engineer at Baltimore was completed and was forwarded with the comments of the division engineer in New York to the Chief of Engineers on October 16, 1956. Because of the fact that our Committee was considered during the summer of 1956 an omnibus river and harbor and flood control bill which was passed during the same summer I succeeded in having an item inserted in the bill for Baltimore Harbor subject to a favorable report being received from the Chief of Engineers.

The report was reviewed by the Board of Engineers for Rivers and Harbors in November 1956, and referred to the State of Maryland for its comments in accordance with law. Favorable comments of the State were received on December 31, 1956, and the report of the Chief of Engineers was completed on January 3, 1957, and referred to the Bureau of the Budget. The Bureau of the Budget approved the favorable recommendations of the Chief of Engineers and forwarded the report to the Congress on January 28, 1957.

During the following spring and summer, the 1956 omnibus river and harbor bill, which had been vetoed by the President, was again taken up and the project for Baltimore Harbor, as recommended by the Chief of Engineers and

cleared by the Bureau of the Budget, was inserted in the new omnibus bill. Unfortunately, the bill which was passed by the House did not receive action on the Senate side due to the lateness of the session and was held over until 1958 when it was finally approved and enacted into law as Public Law 85–500 on July 3, 1958, 9 years after the need for the project first became apparent. Two years have now passed since that time which makes a total of 11 years before construction will be commenced if an appropriation is granted this year.

I have gone into this amount of detail, Mr. Chairman, in order to show how long a period is required before projects of this nature can become realities. It is because of this long delay that I believe that the budget amount of $1,500,000 now before you should be increased to $7 million so that the project can be completed as rapidly as possible to make up in some degree for the length of time it has taken to get action underway.

Baltimore Harbor is the largest bulk cargo seaport in the United States and has the heaviest combined movement of deep draft ore carriers and tankers, some of which are the largest freight ships afloat. Probably no other majort port in the United States provides less adequate channels in proportion to the volume and character of shipping than does the port of Baltimore. Depths in the main ship channel are not adequate for the new larger carriers now coming into service, which are not able to operate in the port with full loads. Depths in the branch channels are now grossly inadequate for deep draft shipping. The large ore terminals on Curtis Bay and at Port Covington are capable of unloading the new large collier type carriers quicly and economically, but inadequate channel depths preclude their entry into those reaches with full loads. All channels are bounded by shallow water and are too narrow in relation to the density of traffic.

In addition, the mean range of tide in Baltimore is only 1.1 feet and, although there are distinct advantages to such a limited range, it is of little assistance in permitting more flexible navigation at high tide. Another consideration in navigating in Baltimore Harbor is that the almost fresh water affords less buoyancy than does sea water. As a result, vessels sink lower in the water than they do at sea or even in the lower bay. Therefore, although it may appear that the present 39-foot project depth in the main ship channel at Baltimore is in line with project depth in other leading ports, analysis on the basis of the average amount of water under the keel of a given ship in those ports will show that the need for deepening of Baltimore Harbor is urgent.

The foregoing factors were recognized by the Corps of Engineers and in their testimony before the Committee on Public Works they indicated that a channel 42 feet in depth should be provided over the 30-foot waterway with certain increases in width at various locations. The Federal cost of the project is approximately $30 million. I would like to direct the committee's attention to the extremely high benefit-cost ratio of 4.95. The Committee on Public Works was so impressed by the need for this project that it made special mention of the high economic ratio and the fact that it considered it completely justified in its report on the river and harbor bill of 1958.

I am convinced that this is one of the most meritorious and most needed projects on the books of the Corps of Engineers, and I hope that the committee will agree with me and take the necessary action to include the appropriation which I have requested.

CHESAPEAKE AND DELAWARE CANAL

Mr. Chairman, I would like to urge consideration of an increased appropriation for the Chesapeake and Delaware Canal, as authorized by the 1954 River and Harbor Act. There is an amount in the budget for the fiscal year 1961, now before you, for $103,000 for advance engineering planning on the channel. However, the Corps of Engineers has informed me that their engineering capability is $1,200,000. I am asking for this amount so that this important waterway can be improved to its authorized dimensions and scope as soon as possible.

In support of my request, I would like to explain to the committee the overwhelming justification for this project. This important waterway connects the Delaware River and the port of Philadelphia with Chesapeake Bay and the ports of Baltimore and Norfolk. Oceangoing vessels transiting between Philadelphia and Baltimore formerly were forced to journey by way of the Delaware Bay,

Atlantic Ocean, and Chesapeake Bay. By using the canal, a saving of 286 nautical miles is realized nearly a day's vessel travel. Vessels traveling from Baltimore save 150 miles on the trip to New York or New England ports, and 115 miles en route to many European ports.

The waterway was particularly valuable during World War II, enabling such shipping at it could accommodate to avoid the hazard of encountering enemy craft in the open sea between the Chesapeake Bay and Delaware Bay entrances and reducing the amount of convoying required. The waterway has considerable significance from the national defense viewpoint, forming a direct connection by protected route between the naval bases in Philadelphia and Hampton Roads. The proposed improvement would greatly increase its value in the case of any future emergency.

The present canal has many obvious deficiencies. The volume of traffic far exceeds the safe capacity of the waterway, and long delays, groundings, and vessel accidents occur frequently. Hazardous conditions arise primarily from inadequate bridge clearances, sharp bends, and from channel depths which are inadequate for the safe passage of vessels. In the 19-mile land cut section it is only 250 feet in width, requiring slow speeds for large vessels when passing. The deficiencies in width make it necessary to impose restrictions on ships 250 feet or more in length. Such vessels must give advance notice of intent to transit the canal; one-way operation is required of ships more than 324 feet in length; ships requiring tug assistance are restricted to daylight hours; and ships with greater draft fore than aft are not admitted into the canal. Moreover, the width is even more restricted at lift-span bridges over the canal, necessitating one-way operation of all vessels at these points. This feature of the canal also impairs its safety. Since 1938 there have been 209 accidents in the canal, including 104 collisions of vessels with the bridge piers. The 27-foot depth of the canal also restricts its usage. A considerable proportion of the ships plying the Delaware River and the Chesapeake Bay cannot use the waterway because of its inadequate depth.

These deficiencies are much more restrictive of commerce than is the case on adjacent or comparable waterways. Project depths on the Chesapeake Bay and Delaware River are 39 and 40 feet respectively. The Cape Cod Canal in Massachusetts, a facility of comparable length and commercial importance, has a minimum bottom width of 450 feet and a project depth of 32 feet. Improvement in the Chesapeake & Delaware Canal, therefore, is required in the interests of an integrated system of waterways and national transportation facilities.

Mr. Chairman, I want to thank you very much for this opportunity and to ask your very serious consideration of my request for the minimum amount of funds needed for next year on this project.

Mr. FALLON. In behalf of myself and the citizens of Maryland we express our deep appreciation.

Mr. CANNON. Thank you, Congressman Fallon. It has been a very complete presentation.

Mr. BOLAND. And a very good presentation, I might say.

Mr. JENSEN. May I say to my colleague and friend we always like to have him appear before our committee. He is very clear and concise in his statements. He never asks for anything that is not completely justified. And so may I say we are glad to see you, my friend. Come again. You are among friends.

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. I just want to repeat what I said when these gentlemen appeared before us at the committee hearings, that I enjoyed your testimony very much. I think you have a grand project there, and it is worthy of consideration.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. Thank you very much, gentlemen.

TUESDAY, APRIL 12, 1960.

MILLERS FERRY LOCK AND DAM

WITNESSES

HON. KENNETH A. ROBERTS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. JOHN J. SPARKMAN, U.S. SENATOR FROM THE STATE OF ALABAMA
HON. FRANK W. BOYKIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. GEORGE M. GRANT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. GEORGE W. ANDREWS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. ALBERT RAINS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. ARMISTEAD I. SELDEN, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. CARL ELLIOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. GEORGE HUDDLESTON, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. JOHN PATTERSON, GOVERNOR OF THE STATE OF ALABAMA
ROBERT F. HENRY, PRESIDENT, COOSA-ALABAMA RIVER IMPROVEMENT ASSOCIATION

Mr. CANNON. The committee will be in order.

Congressman Roberts, we are glad to have you with us. You appear in behalf of the Millers Ferry lock and dam, I believe?

Mr. ROBERTS. That is correct, sir.

Mr. CANNON. Do you have a statement?

Mr. ROBERTS. I have, Mr. Chairman.

Mr. CANNON. We will be glad to hear from you at this time.

Mr. ROBERTS. Mr. Chairman, first of all I would like to thank the chairman and members of the committee for giving us this time, knowing of the pressing demands made on the chairman.

I would like also to congratulate the gentleman for having a birthday yesterday and to wish for him many, many more years of service on behalf of the American people.

Mr. CANNON. I regret that the gentleman is out of order.

Mr. ROBERTS. I cannot appeal from the ruling of the Chair.

I am glad to be here. We have a wonderful delegation, led by the Governor of the State of Alabama, John Patterson, and many outstanding public officials, people from the 29 counties affected by this great development, and I would like if I might at this time to submit a list of the witnesses.

Mr. CANNON. It will be included in the record at this point.

(The list follows:)

WITNESSES AND DELEGATION FROM THE ALABAMA-COOSA RIVER BASIN APPEARING BEFORE THE HOUSE SUBCOMMITTEE ON PUBLIC WORKS APPROPRIATIONS, APRIL 12, 1960, 2 P.M.

Hon. John Patterson, Governor of Alabama, Montgomery.
Harry Cook, press secretary, Montgomery.

Robert Harper, press representative, Montgomery.
Robert F. Henry, president, Coosa-Alabama River Improvement Association, Montgomery.
George L. Cleere, executive vice president, Coosa-Alabama River Improvement Association, Montgomery.
Hon. Earl James, mayor, city of Montgomery.
W. Lyle Hinds, Chamber of Commerce, Montgomery.
Hon. Chris B. Heinz, mayor, city of Selma.
Hon. B. A. Reynolds, chairman, Dallas County Court of County Revenues, Selma.
C. O. Mason, representing Wilcox County, Pine Hill.
Hon. J. A. Rice, chairman, Autauga County Board of Revenue, Prattville.
Hon. E. S. Collier, representing Elmore County.
Hon. Hollis Jackson, mayor, city of Clanton.
Hon. Conrad Fowler, chairman, Shelby County Board of Revenue, Columbiana.
Sam S. McEwen, town of Wilsonville.
F. Jackson, town of Harpersville.
Hon. Hoyt B. Hamilton, chairman, St. Clair County Board of Revenue, Pell City.
Hon. Edwin Holladay, county attorney, Pell City.
Hon. W. F. Killough, chairman, Talladega County Board of Revenue.
Arthur Springer, city of Talladega.
Hon. Dan W. Gray, chairman, Calhoun County Commission, Anniston.
Hon. G. T. Morris, mayor, city of Anniston.
Marcus A. Howse, president, Anniston Chamber of Commerce.
Leonard A. Gilbert, manager, Anniston Chamber of Commerce.
G. H. Young, Jr., Calhoun County River Development Committee.
Everett Lay, representing Etowah County and city of Gadsden.
Durgett Mooney, representing Floyd County, Ga.
Hon. John Yarbrough, mayor, city of Rome, Ga.
Hugh Webb, chairman, Board of Revenue, Cherokee County.
Glenn A. Williamson, banker, Centre.
James H. Jones, chairman, Alabama Conservation Committee.
G. A. Johnson, businessman, Centre.

Mr. ROBERTS. Also we have here today members of the Alabama delegation and I will present their statements, with the permission of the Chair, in due course to be included in the record.

We will recognize the limitation of time and the fact you have many witnesses to hear from all parts of the country, and knowing too the belief in brevity that the chairman has, we will try to finish within the 20-minute limitation.

Mr. CANNON. We are glad to have the members of the Alabama delegation here today. We are especially glad to have a member of the Alabama delegation, Mr. Andrews, who is a member of this committee, and would be glad to have them submit statements at your introduction.

Mr. ROBERTS. Thank you, Mr. Chairman.

I certainly recognize the fact that the chairman and members of this committee know these projects quite well, but we appear, as we have many times in the past, with the hope that we may impress upon this committee the need for your favorable consideration of this project.

We are asking for an appropriation of $200,000 for the continuation of planning and design of the Millers Ferry lock and dam.

We realize that to further the continuation of this project places in jeopardy the industrial development of our great State of Alabama and the economic growth of not only our State but our neighboring States and the Nation.

Failure of the administration to request the necessary funds for this project is based on the premise that there are to be no new starts. Mr. Chairman, I submit that this is a misleading play on words as

funds have previously been appropriated for this project and planning is 38 percent complete.

The Alabama-Coosa River flows through 29 counties in Alabama. The development of this river system would open up to the now landlocked cities and towns trade and commerce with the world. The great potential of this river system would bring new industries and industrial payrolls that would greatly increase the prosperity of the area.

Full development of the waterway would also open up vast recreational areas in the form of boating, fishing, and other sports. Mr. Chairman, it is inconceivable to me that the vast resources of this area must, in a time of great industrial expansion of our country, lie dormant for the lack of transportation that will place the area in a competitive field.

I might mention that this is one of the 10 great river systems pointed out by President Truman's Water Resources Policy Commission that are yet not adequately developed.

It has been said that these appropriations are of a pork-barrel variety. I challenge anyone who has had the opportunity to review the reports of the Chief of Engineers and the Board of Rivers and Harbors—and I might say the work of this great committee—to show me that the Federal Government would not benefit dollar for dollar in its investment in the development of the Alabama-Coosa River.

Mr. Chairman, I strongly urge you to favorably consider at this time, our request for $200,000 for the continuation of a project which has been authorized for 15 years and on which funds have been expended to a point where the planning of the project is now 38 percent complete. I might mention this also includes the great Mobile River. Do not continue to make the State of Alabama suffer the results of being relegated to a position where it cannot compete with the industrial development of other areas due to the lack of navigable waterways. I ask you gentlemen to consider the merits of our case. It is all before you in the various reports of the affected agencies of the Government and in each report you will find, as I have stated before, the Government will receive in return, dollar for dollar that it expends.

I think, Mr. Chairman, that you can see in the fine appearance of this delegation the intense interest of our people in this project. We have seen rivers north of us and on the borders of our State being developed, and the failure to continue the development of this great river system prevents our people from making the contribution to the welfare of this country that we are fully capable of making.

We represent 1¼ million people in the Alabama-Coosa River area. We are losing our people, which are the most important assets we have. You can have all the mines and factories and farms, but the people constitute the main part of our assets.

As you know, Alabama probably will lose one Member of Congress after the next census because after we educate our boys and girls they have to go elsewhere to make a living. We want to keep them at home. The completion of this project would help us do that.

We will appreciate your consideration.

Mr. CANNON. Thank you, Congressman Roberts.

Will you designate the next witness?

Mr. ROBERTS. At this time it is an honor and a privilege for me to present an outstanding young Governor of our State, a man who served with distinction as attorney general of Alabama and who has, since becoming our Governor, worked for the benefit of our people and who is making a fine record.

At this time it is my pleasure to introduce my longtime friend, Governor Patterson.

Mr. CANNON. Governor Patterson, the committee is honored in having you with us and will be delighted to have a statement from you.

STATEMENT OF GOV. JOHN PATTERSON OF ALABAMA

Governor PATTERSON. Mr. Chairman and members of the committee, it is an honor and a privilege to appear here today on behalf of this project, and I want to thank you for affording me this opportunity.

I have prepared a statement which I would like to file with the committee for the record at this time.

Mr. CANNON. It will be made a part of the record at this time.

(The statement follows:)

Gentlemen, my name is John Patterson, and as Governor of Alabama it is my honor today to lead a delegation of some 30 outstanding citizens of my State who are interested in the full development of the Coosa-Alabama River system. With me today are responsible business leaders and public officials from 10 counties in Alabama and 1 Georgia county, all of which lie in the heart of the vast, undeveloped Coosa-Alabama River Basin.

I appreciate the opportunity to testify before your subcommittee, and I wish to thank you for your courtesy. I am here to request your approval of an appropriation in the amount of $200,000 for the resumption of preconstruction planning on the lock and dam at Millers Ferry on the Alabama River in Wilcox County, Ala. It is my understanding that about $400,000 is required to complete the plans, and that the Corps of Engineers has reported that it can utilize $200,000 of this amount during fiscal year 1961.

This $200,000 is urgently needed if the early development of the Coosa-Alabama is to be accomplished. The Millers Ferry project is, in fact, No. 1 on the established order of development for the river system. Until the appropriation for Millers Ferry is approved, the entire Coosa-Alabama River improvement program is held up and cannot move forward.

The economic feasibility of such a program has long been established, and substantial planning has already been completed. It is not a new project at all. Congress has shown its interest in the Coosa-Alabama for almost a century, appropriating funds in the 1870's to make the waterway navigable its entire length from Rome, Ga., to Mobile, Ala. Although steamships once plied its waters, the complete development of the Coosa-Alabama was never achieved, and unfortunately the improvements made years ago were not maintained.

For many years, this great waterway has remained virtually useless. It is a dormant asset of phenomenal value, and millions of persons would undoubtedly reap benefits from its proper development.

In 1945, Congress again recognized the immense potential of the Coosa-Alabama and authorized the initial development of a 300-mile stretch from Mobile north to Montgomery, Ala., site of the State Capitol and third largest city in the State. Congress acted on the basis of a glowing report submitted by the U.S. Corps of Engineers, which recommended the ultimate development of the entire Coosa-Alabama River system for navigation, power, flood control, and other purposes. Work started promptly on plans for three initial projects along the Alabama River downstream from Montgomery: A navigation dam at Claiborne in Monroe County, and hydroelectric dams upstream at Millers Ferry, and at Jones Bluff in Lowndes County.

From 1945 until 1949, some $641,000 was spent in preliminary planning work on the three dams, and it is my information that plans are about 40 percent complete at this time. Of the total amount, some $249,000 was spent on the Millers Ferry project. It is approval of an additional $200,000 for planning at

this lock and damsite, to be expended during fiscal year 1961, which we seek today.

No work has been done at Millers Ferry or the other two proposed locks and dams since 1949. At that time, work was halted at these three locations to concentrate on planning for a fourth dam to be located at Howell Mill Shoals on the Coosa River upstream from Montgomery. Planning at this site continued until 1953, when Congress suspended authorization for the river development insofar as it provided for development of electric power. Congress took this action in order to license the power development of the Coosa River by the Alabama Power Co., which plans the construction of four dams costing $150 million during a 10-year period.

President Eisenhower had occasion in his 1955 state of the Union address to cite the use of private capital in developing the Coosa River for hydroelectric power as a prime example of the public benefit derived from cooperation between private industry and the Federal Government. The President went on to praise this partnership as hastening the joint development of a natural resource. The Chief Executive further stated that the Federal Government should shoulder its own partnership obligations, especially those projects of such complexity and size that their success required Federal assistance. Mr. Chairman, I believe the Coosa-Alabama meets this criteria set by the President.

The construction of the authorized initial projects on the Alabama River, followed by improvements on the Coosa River, is admittedly a huge undertaking. However, I must point out that the monetary benefits from such a program are almost unlimited and far outweigh the cost of development. In view of the great impact which the Coosa-Alabama River's full development would have on such a large segment of our people and our economy, it seems to me that this is the basic responsibility of the Federal Government.

In addition to the $200,000 required at this time to resume planning work at Millers Ferry, I would like to urge the subcommittee to approve the appropriation of funds for three other purposes: (1) to finish planning work at Millers Ferry and commence construction of the lock and dam; (2) to resume planning and initiate construction of Claiborne lock and dam so that it may be completed at the same time as Millers Ferry lock and dam; and (3) to resume planning an initiate construction at Jones Bluff lock and dam with construction to start as soon as possible after completion of the two other projects.

The completion of these initial projects, plus certain other work, would provide a 9-foot channel all the way to Montgomery from the mouth of the river. Later, I urge the installation of locks in the three existing and four projected hydroelectric dams on the Coosa River, providing a navigable water route north through Gadsden, Ala., and on to Rome, Ga. With some Federal help, we can realize this long-dreamed waterway, and if it is soon developed, I predict the Coosa-Alabama's commerce will be a tremendous boost to our economy.

After all, it is the second largest river system in the Southeast. Only the Tennessee is larger. From its source in northwest Georgia, the Coosa-Alabama flows 650 river miles diagonally across the heart of Alabama to the Gulf of Mexico through the Mobile River. The Coosa River is formed at Rome, Ga., from the Etowah and Oostanaula Rivers. Flowing southwesterly, it enters Cherokee County, Ala., and passes its first large city at Gadsden (population 55,725). The Coosa flows between Birmingham (population 326,037) and Anniston (population 31,066), passing within about 25 miles of both cities. At Wetumpka (population 3,813) some 18 miles north of Montgomery, the Coosa merges with the Tallapoosa to become the Alabama River. It continues southwest, passing Montgomery (population 106,525) and Selma (population 27,595) to its junction with the Mobile River some 30 miles north of Mobile (population 173,849).

In the area considered commercially tributary to the Coosa-Alabama—but not including the cities of Atlanta, Chattanooga, and Birmingham on the fringe areas of the river basin—lie all or part of 43 counties—29 of them in Alabama, 13 in Georgia, and 1 in Tennessee. In this area, excluding the large cities, live more than 1½ million persons. At the present time, however, the Coosa-Alabama has little effect on their lives or livelihood.

There is much industrialization and a number of heavy industries in the Coosa-Alabama River Valley, but the employment of industrial workers is approximately 10 percent under the national average. Prime industrial sites are available throughout the valley, which is also rich in minerals used in manufacturing. Alabama's industrial climate has never been better, and the time is

ripe for tremendous industrial development up and down the Coosa-Alabama River Valley.

Dependent upon development of the river system itself, another factor which could hasten the expansion of industry throughout the valley would be the availability of electric power. Generating capacity of the river system at present is 563,700 kilowatts, but this figure should more than double upon completion of the river development. Proposed facilities would boost the generating capacity to 1,290,400 kilowatts.

The availability of low-cost power and abundant water supply will stimulate the growth of industry in the area, thus providing increased employment opportunities which are badly needed by the valley's residents. The river development, utilizing the great power and water resources of the river, will add to the economy of the entire region. The vast development will effectively assist in meeting the needs of the southeastern region—new supplies of raw materials, new means of distribution, new manufacturing centers and new markets for all products.

What is more, the Coosa-Alabama River development will regulate this large water supply. It will stabilize water levels, form reservoirs, and provide flood control for 550,000 acres of fertile farmland. Farms, as well as industry, will benefit directly from a comprehensive development program. Many others, too, stand to gain from river improvements.

In short, the development of the Coosa-Alabama River system means increased prosperity for us all. A navigable river brings commerce, and increased commerce means more dollars for our people. I urge the subcommittee, therefore, to approve an appropriation in the amount of $200,000 at this time to allow planning to resume on the first project of the vital river development program. It is a sound business proposition which will pay for itself while making available to the people the wealth of the region which they would not otherwise have the opportunity to enjoy.

Now we beg for a real start on this project.

It is a relatively small appropriation for a program of great importance to millions of persons. We have had surveys and promises and planning over many years, and President Eisenhower has spoken with praise of the very plan for which we plead today. We have seen a Presidential Commission declare this Coosa-Alabama waterway to be one of the 10 great river systems which the United States can still develop.

It has been examined, reexamined and found worthy of development.

Another arm of this same river system—the Warrior-Tombigbee, which also feeds into the Mobile River north of Mobile—is carrying some 6 million tons of freight each year, and the total tonnage is pushing upward each year. Its lower end, along the Mobile River itself, is already the site of giant chemical plants, papermills, aluminum plants, and many other industries attracted to the region, in part, because of the water transportation available.

Mr. Chairman, I would like to point out that ours is a changing section, where growth is taking place and industry is developing at a rate far in excess of the national rate of increase. Industrial growth in Alabama is particularly outstanding. During the decade just ended, we have seen about 75 percent of our new industrial plants locate along our navigable waterways. Fortunately, we are blessed with splendid systems of rivers and streams, which we have found to be a potent "drawing card" for new industry. Large industries need the economies and special advantages of barge transportation, and therefore they choose riverside sites where they can have both barge transportation and access to almost unlimited cooling and process water.

I am sure the subcommittee has noted the Corps of Engineers' estimate of annual tonnage on the Alabama River placing the total, when developed from its mouth to Montgomery, at 2,016,000 tons. Necessarily, the Engineers are conservative in their estimate as illustrated in the case of the Tennessee River, which has put a new face on all north Alabama. The Tennessee River, for example, now carries almost 14 million tons annually—more than twice the predicted tonnage of 6 million tons. I believe the same kind of increase in river tonnage may be expected when the Coosa-Alabama River system is improved.

I would estimate that 5 million tons of annual traffic is waiting along the river, at Selma, at Montgomery, at Gadsden and Ohatchee, and dozens of other points, where already there are steel mills, papermills, marble quarries, limestone, crushers and other industries producing heavy commodities such as ordinarily move by barge. Great industrial expansion is taking place, and yet the

full potential of this rich region—with all its iron ore and its coal, its limestone, marble, and other mineral resources, to say nothing of its vast timber potential—is being held back because this river is not yet open to barge commerce.

It is in the light of this growth pattern, Mr. Chairman, that this project should be weighed.

The project is supported by the State of Alabama, the State of Georgia, and by hundreds of municipalities, county governments, chambers of commerce, industries, and businesses in the basin area. With me today are a number of civic-minded, forward-looking officials, including Mayor Earl James of Montgomery, Mayor Hugh Patterson of Gadsden, Mayor Hollis Jackson of Clanton, Mayor George T. Morris of Anniston, Mayor Chris B. Heinz of Selma, and Mayor John Yarbrough of Rome, Ga. Four probate judges, the top officials in each county, are also in attendance—Judge Conrad Fowler of Columbiana, Judge J. A. Rice of Prattville, Judge B. A. Reynolds of Selma, and Judge Hoyt B. Hamilton of Pell City. The chairman of two county boards of revenue are here, too, along with chamber of commerce officials, business leaders, and others. I particularly want to commend Mr. Robert F. Henry of Montgomery, president of the Coosa-Alabama River Improvement Association, for his hard work in steering this program forward. I wish I had time to introduce the entire delegation, but I do not want to impose upon the subcommittee's time. The fact that they are in attendance, and that many other outstanding citizens of our State have appeared before the subcommittee in previous years, is indication of the public interest in development of the Coosa-Alabama River system.

We favor the improvement of all waterways which show feasibility, but we feel that this Coosa-Alabama River project should enjoy some priority, if only for the reason that it has been pushed side so many times in past years.

If this river is improved by the proposed Millers Ferry lock and dam and the other two projects contemplated for this first section of development, I know that the cities of Selma, Montgomery, Jackson, and Camden and the towns of Claiborne and Benton and other communities along the Alabama River will not merely grow with new vigor but they will produce new tonnage which will far exceed the figures assembled by the Corps of Engineers.

Mr. Chairman, I look on this as an investment by this Nation in its natural resources. It will help us to keep pace in this period of great economic growth, for the opening of the Coosa-Alabama to barge traffic will add immeasurably to the ability of our area to increase its production.

This is an important waterway—important to Alabama, important to Georgia, important to the Nation. It is vital to our economic growth, and I hope the subcommittee will move now to proceed with the orderly development of this great river system, beginning at Millers Ferry.

I thank you for your attention and the opportunity of appearing before you.

Mr. CANNON. You may proceed.

Governor PATTERSON. I will make my remarks brief, but we have here in the room a map of the State of Alabama and the State of Georgia and part of the State of Tennessee. The Alabama-Coosa is marked in blue and the watershed of the Alabama-Coosa is painted in yellow. I would like to refer to that two or three times during my remarks.

The port of Mobile is one of the most important ports in the country. It is the ninth ranking port in the United States. It is 15th in exports and the 5th in imports and ranks approximately 9th. It is is one of the great ports of our land.

The Alabama-Coosa River system is one of the 10 large river systems of the country, and in my opinion is the largest river system that is undeveloped in the country. It is the second largest and longest in the Southeast. The Tennessee is a little larger than the Alabama-Coosa but the Alabama-Coosa ranks next. It is a tremendous river and it seems a shame to see this tremendous river flow out to the gulf, and a great deal of its potential is lost because it has not been developed.

I am here with approximately 30 outstanding citizens of my State, including probate judges in some of the counties in the basin, along with representatives of chambers of commerce and businessmen and mayors of cities along the river, requesting an appropriation of $200,000 for the resumption of preconstruction planning on the lock and dam at Millers Ferry on the Alabama River in Wilcox County, Ala.

This proposed installation is the second red mark from the port of Mobile. I am sure you gentlemen are familiar with that. That is Millers Ferry right there [indicating]. I might point out it is about 350 miles from Mobile to Montgomery, and from there on to Rome, Ga., where we hope the river will be navigable some day, is approximately 650 miles, which shows what a tremendous river system this is.

This project at Millers Ferry is of first priority. That is the place where the work must begin to get this river project started.

The Corps of Engineers has long ago determined that this project is sound and economically feasible, and I submit to your committee that this is a good business venture and will bring untold economic prosperity to that Alabama-Coosa Valley. You need only look at the Tombigbee-Warrior Valley and the valley of the Tennessee to see the wonderful things that have been brought about by the development of those valleys. Those valleys have experienced tremendous industrial development in recent years and have brought a great deal of prosperity to the citizens that live in those areas. We submit the same thing will happen to the people in the Alabama-Coosa Valley, if it is developed. It would bring about economic improvement in that area and the National Government would benefit as well.

With the decline of agriculture along some parts of that valley we have seen some of our people moving out, and this development would bring them back in and bring more factories and payrolls to this area.

This area is rich in minerals and rich in timber. All the things that go to make up an industrial empire is in that valley, if we make this river navigable from Mobile to Montgomery and up to Gadsden and eventually up to Rome, Ga.

I will leave the details to others, but I want to say in conclusion the State of Alabama is vitally interested in this project. Our citizens are interested in it. It is one of the important projects in our State, one of the most important. It will benefit 29 counties in Alabama, 13 in Georgia, and 1 in Tennessee. It is the most important project in the southeastern part of the country. The people are for it, and the State of Alabama and the State of Georgia and the counties and cities along the waterway want it, too.

I respectfully request that the committee consider favorably the $200,000 appropriation for further planning on the lock and dam at Millers Ferry on the Alabama River in Wilcox County, Ala.

Thank you.

Mr. CANNON. Thank you, Governor Patterson.

Mr. ROBERTS. Mr. Chairman, our next witness is Mr. Robert F. Henry, president of the Coosa-Alabama River Improvement Association.

Mr. CANNON. Mr. Henry, we will be glad to hear your statement.

STATEMENT OF MR. ROBERT F. HENRY

Mr. HENRY. Mr. Chairman, it is a pleasure for us to appear before you gentlemen of wisdom and judgment, and we appreciate the great responsibility you have. We appreciate the time you are giving us today.

This is the fourth time that we have appeared before you to ask for this great project. We have stood by and waited and today we ask, gentlemen, that we not be required to stand by any longer. The time is here. The Coosa-Alabama improvement is so urgent that an organization was developed in 1890 and many, many people have chosen this as their civic work for life to see the improvement of this river. Mr. Everett Lay has been president of this organization, and his father was the first president of this organization. That shows you the continued interest that the people of Alabama have had in this project. They have voted a bond issue for inland docks if and when this work is done. They have expressed themselves in every way possible to show they have an intense desire and wish to see this great natural resource developed and made available to the people of the area and of the Nation.

If I may, I would like to submit a written statement for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

Mr. Chairman and members of the committee, my name is Robert F. Henry, and I am president of the Coosa-Alabama River Improvement Association which maintains offices in Montgomery, Ala. The association is a nonprofit, nonpartisan, educational organization whose sole purpose is the comprehensive orderly development of the Alabama-Coosa River system and the Mobile Waterway. Our membership is composed of individuals, businesses, industries, and officials of local governmental agencies in the States of Alabama and Georgia.

We appear before you today for the fourth consecutive year to urge your approval of an unbudgeted item in the amount of $200,000 to resume planning of the Millers Ferry multiple-purpose dam, Alabama River. Planning of this dam is approximately 40 percent complete as $249,000 has been expended by the Corps of Engineers for this purpose.

The Alabama Coosa River system is considered the second largest in the southeastern region and has an average annual flow of 36,600 cubic feet per second at the mouth. This flow is equivalent to 26,850 million acre-feet annually. The maximum recorded discharge is 227,000 second feet. At Montgomery, a distance of 300 miles from the mouth of the Alabama River, the mean flow is 26,330 cubic feet per second, and the minimum daily flow is 3,544 million gallons. The Alabama River falls 106 feet from its head above Montgomery to the Gulf of Mexico level at the mouth. The Coosa River is 287 miles long and falls 450 feet from Rome, Ga., to its junction with the Alabama.

The Alabama River was navigable its entire length of 314 miles from the early 18th century to about 1935 for shallow draft boats and barges. The lower reaches of the river have continued to be navigable and in 1957 and 1958 an annual average of 466,000 tons of commerce was transported on the river.

In 1878 Congress authorized a channel 4 feet deep and 200 feet wide by dredging from the mouth of the Alabama River to Wetumpka on the Coosa River. The Rivers and Harbors Act of 1892 modified this authorization to provide a 6-foot channel. In 1905 and 1910 Congress authorized additional work to provide a 4-foot channel at low water from the mouth to Wetumpka, a distance of 331 miles. No construction or maintenance of the river has been accomplished since 1942.

The development of the Coosa River was authorized in 1876 by the Congress. The project provided for a 4-foot channel 4 feet deep and 100 feet wide at extreme low water to be obtained by dredging and three locks and dams 117 miles above the mouth to Rome, Ga., a distance of 190 miles. In 1910 Congress

authorized the construction of two additional locks and dams, the lower one located at Wetumpka, Ala.

The Alabama Power Co. was authorized by the Federal Government to construct three hydroelectric power dams on the Coosa River, and the dams were completed in the following order: Lay Dam in 1914, Mitchell Dam in 1923, and Jordan Dam in 1928. These power dams have an installed generating capacity of 254,500 kilowatts. This private utility also was granted permission by the Federal Government to construct three hydroelectric power dams on the Tallapoosa River, a tributary of the Alabama. These dams were erected in 1926, 1928, and 1930 and have a generating capacity of 236,200 kilowats.

The Corps of Engineers constructed the Allatoona power and flood control dam which was completed in 1950. This dam is located on the Etowah River, a tributary of the Coosa, and has an installed generating capacity of 74,000 kilowatts with provisions made for future installation of an additional unit of 36,000 kilowatts.

The river system at the present time has a total of 563,700 kilowatts installed generating capacity, all developed by private capital except the Allatoona Dam.

The initial and ultimate development of the Alabama-Coosa River and tributaries was authorized by Congress in the Rivers and Harbors Act adopted March 2, 1945 (Public Law 14, 79th Cong., 1st sess.). The act, quoted in part, reads:

"Alabama-Coosa River, Alabama: Initial and ultimate development of the Alabama-Coosa River and tributaries for navigation, flood control, power development, and other purposes as authorized in House Document Numbered 414, Seventy-Seventh Congress is hereby authorized substantially in accordance with the plans being prepared by the Chief of Engineers with such modifications thereof from time to time as in the discretion of the Secretary of War and the Chief of Engineers may be advisable for the purpose of increasing the development of hydroelectric power: and that for the initiation and accomplishment of the ultimate plan, appropriations are authorized in such amount as Congress may from time to time determine to be advisable * * *"

Subsequent to authorization in 1945, plans for the most practical development of the water resources of the Alabama-Coosa Basin were prepared by the Corps of Engineers.

The authorized ultimate development of the river system as planned by the Engineers provides for a 9-foot navigation channel from the mouth of the Alabama River, then up the Coosa to Rome, Ga., a distance of 600 river miles, the development of hydroelectric power, flood control, and other purposes.

The initial project as originally authorized and planned provided for a 9-foot channel to secure navigation to Montgomery, Ala., a distance of 300 miles and the development of hydroelectric power on the Alabama and Coosa sections of the waterway. The project consisted of limited dredging, one low navigation dam at Claiborne, and two navigation-power dams at Millers Ferry and Jones Bluff, all on the Alabama River. In addition, a hydroelectric power and flood control dam was authorized on the Coosa River at Howell Mills Shoals. The benefit-to-cost ratio then was 1.48 to 1, as indicated by testimony on the Alabama-Coosa River at the hearings before the subcommittee of the Committee on Commerce, U.S. Senate, 78th Congress, 2d session on H.R. 3961, April 26, 1944.

The Rivers and Harbors Act (Public Law 14, 79th Cong., 1st sess.) as it related to the Alabama-Coosa River was modified by enactment of Public Law 436, 83d Congress, 2d session, H.R. 8923, as follows:

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in connection with the comprehensive program for the development of the water resources of the Alabama-Coosa River and tributaries, authorized by the Rivers and Harbors Act, approved March 2, 1945 (59 Stat. 10), it is hereby declared to be the policy of the Congress, where private interests are considering applying for authority to undertake the development of resources covered by such authorization, that the power from such development shall be considered primarily for the benefit of the people of the section as a whole and shall be sold to assure the widest possible use, particularly by domestic and rural consumers, and at the lowest possible cost.

"SEC. 2. The authorization of the comprehensive plan for the Alabama-Coosa River and tributaries, as provided in the Rivers and Harbors Act, approved March 2, 1945, insofar as it provides for the development of the Coosa River for the development of electric power, is hereby suspended to permit the development of the Coosa River, Alabama and Georgia, by a series of dams in accordance

with the conditions of a license, if issued, pursuant to the Federal Power Act and in accordance with the provisions and requirements of this Act * * *"

"SEC. 13. Nothing in the Act shall be deemed to affect in any way the authorization of the development of the Alabama-Coosa River and tributaries other than that portion of the development involving projects on the Coosa River or the authority of the Federal Power Commission to issue a license for the complete development of the Coosa River by States or municipalities under section 7(a) of the Federal Power Act or to find under section 7(b) of said Act that the development should be undertaken by the United States itself."

In compliance with provisions of Public Law 436, the Federal Power Commission issued a license to the Alabama Power Co. to modify one existing power dam and construct four additional hydroelectric power dams on the Coosa River. The license was approved November 15, 1957. Construction was started on the first dam in July 1958, and is approximately 70 percent complete. Roadways and clearance of the second damsite is practically completed and construction will begin in the near future. The license requires that all structures be completed within a 10-year period from start of construction of the first dam or by July 1968. The ultimate cost of the current program by the Alabama Power Co. will approximate $160 million. The new dams will have installed generating capacity of 592,700 kilowatts.

Enactment of Public Law 436 eliminated from the authorized initial project the hydropower dam on the Coosa River section of the waterway. The modification of the existing project on the Alabama River authorized by the River and Harbor Act of March 2, 1945, provides for a 9-foot navigation channel to Montgomery to be obtained by three locks and dams and supplemental channel improvements and for the generation of hydroelectric power. The structures in the channel below Montgomery have been so designed that the channel depth can be increased to 12 feet without altering the structures. In addition, the locks (84 feet by 600 feet) have been so designed that commerce greatly in excess of the estimated tonnage could be transported on the river without interference or additional cost to the Government. These modern locks have increased the cost of the project and lowered the benefit-to-cost ratio to some extent. Investigations by our association indicate that many river systems that have smaller locks are now being developed for navigation by the Corps of Engineers. Work on the project, which has been limited to preliminary planning has cost $641,000 to June 30, 1952, the last year funds were allotted.

Present plans provide for two navigation-power dams at Millers Ferry and Jones Bluff with ultimate installed generating capacity of 144,000 kilowatts, one navigation dam at Claiborne, and channel improvement from Claiborne, the lowermost dam, to the mouth of the Alabama River. The latest estimate of Federal first cost of the entire initial project is $125,201,000 with annual operation and maintenance estimated to be $655,000.

The Corps of Engineers has established an order of development for the current initial project, Alabama River. The Millers Ferry navigation and power dam is scheduled to be the first constructed. Preliminary planning of this dam was accomplished by the district engineer prior to the end of fiscal year 1952, no allotment of funds has been made since that date. Planning is approximately 40 percent complete and cost $249,000. An additional sum of $392,000 was utilized by the Engineers in preliminary planning on the other features of the authorized initial project on the Alabama River. The amount of $1,012,985 was also expended on the planning of the power dam on the Coosa prior to the suspension of authorization for development of the Coosa River for development of electric power.

Millers Ferry Dam will be in Wilcox County 139 miles from the mouth of the Alabama River and 10 miles from the town of Camden. It will have a normal upper pool at elevation 80 feet. The current plan of the dam consists of an earth overflow dike 3,000 feet long from high ground to the powerhouse in the right bank; a spillway 712 feet long with 15 double leaf vertical-lift gates 40 feet long, and mound at left end of spillway; an earth overflow dike 2,400 feet long extending to high ground on the left bank. The lock will be 84 feet wide and a clear length of 600 feet. The maximum lift will be 50 feet and the minimum depth over the sills 13 feet. The powerhouse will have 4 units of 19,000 kilowatts each, a total installation of 76,000 kilowatts. The reservoir will extend 105 miles, have an area at normal pool of 22,000 acres, and a total volume of 370,000 acre-feet. The latest estimated cost of the Millers Ferry navigation and power dam is $52,262,000.

The Public Works Appropriations Act of 1956, approved July 15, 1955, contained an item for a comprehensive study to be made by the Corps of Engineers of the Alabama-Coosa River system. In response, the district engineer made a comprehensive study of the commerce that would be prospective to a waterway on the Alabama-Coosa River and found that the development of the Coosa River for navigation to Gadsden, Ala., in conjunction with the development of hydroelectric power by the Alabama Power Co. is economically justified. He also found that the currently approved navigation development for the Alabama River to Montgomery continues to be economically justified, having a benefit-to-cost ratio of 1.08, and that early construction is warranted. The district engineer's Interim Report on the Alabama-Coosa River system, Georgia and Alabama, dated July 1, 1958, approved by the Chief of Engineers and the Secretary of the Army was forwarded on January 27, 1960, to the Committee on Public Works, House of Representatives.

The recommendation of the district engineer as contained in the interim report insofar as it refers to the initial authorized project on the Alabama River reads as follows:

"He further recommends that construction of the Alabama River development be initiated as soon as practicable. * * *"

We would respectfully remind this committee that appropriations have been made heretofore by the Congress for preliminary planning of the initial project on the Alabama River. The engineers allocated a total of $641,000 for planning of the three dams prior to June 30, 1952. The sum of $249,000 was expended for preliminary planning of Millers Ferry navigation and power dam, and the planning is approximately 40 percent complete.

Our association has been advised by the Chief of Engineers' Office that to complete the plans of the Millers Ferry Dam it will require approximately $400,000. The engineers have also informed our association that the amount of $200,000 could be utilized by them for the resumption of planning on the Millers Ferry Dam during fiscal year 1961.

In the interim report heretofore referred to, the Corps of Engineers estimate that the average annual prospective commerce to be transported on the Alabama River with the head of navigation at Montgomery would be 2,016,000 tons. The savings on this tonnage are estimated to be $2,360,000 annually. The engineers also estimate that 729 million kilowatt-hours of electric energy will be generated annually at the two multiple-purpose dams. The total annual power benefits are estimated to be $4,715,000.

The total annual benefits of the project will be $7,075,000, derived from savings from transportation and the sale of electric power.

It is believed that the estimated tonnage is conservative and that the average annual tonnage would be much greater upon completion of the project. The basis for this assumption is that for the years 1957 and 1958 an average annual tonnage of 466,000 tons moved on the lower 100 miles of the Alabama River. A large cement firm has purchased acreage on this river and they plan to develop it as soon as the two lower dams are constructed and year-round navigation becomes available. One of the largest chemical firms in the Nation owns an 850-acre site on the Alabama River and the early development of the river for navigation was one of the considerations involved in the purchase of the property. The transporting of wood products would exceed the estimate of the engineers as approximately 75,000 tons annually are transported on the river at the present time. The volume of nonmetallic minerals would also be greater than the present estimates as evidenced by the present average of 350,000 tons for only 6 or 7 months in the year. The area adjacent to the lower reaches of the river is now producing crude oil and an average of 35,000 tons annually moves on the river. Indications are that this tonnage would in all probability increase materially as new producing wells are brought in from time to time and evidences of expansion are great.

No appropriations have been made in many years for the maintenance of the Alabama River, consequently the river is navigable only a part of the year for modern tugs and barges due to sand and gravel bars. The commerce briefly discussed in the preceding paragraph is transported on the lower 100 miles of the river. According to the records for the past 2 years, the average annual tonnage has been 466,000 tons, without the expenditure of funds by the Federal Government for maintenance of the waterway. When development of the river for navigation to Montgomery is accomplished, a greater volume of commerce than that estimated by the engineers will accrue.

The resources of the Alabama-Coosa River Basin are great and many reasons can be advanced for the early development of this river. The first is that it has been authorized by Congress since 1945 and following authorization funds were appropriated and allocated by the Corps of Engineers for preliminary planning of the initial project. A total of $1,653,000 was expended prior to June 1952, the last year allocation of funds was made for the original initial project which consisted of three locks and dams on the Alabama River and one power dam on the Coosa.

The filing of an application with the Federal Government by the Alabama Power Co. for a temporary permit to study the feasibility of the development of the Coosa River for hydroelectric power influenced the Corps of Engineers to discontinue requests and allocation of additional funds to continue planning of the initial project. A preliminary permit was granted to the Alabama Power Co. and the 83d Congress, 2d session, enacted Public Law 436 (H.R. 8923) approved June 28, 1954, which in effect suspended the authorization of the comprehensive plan of development of the Coosa River for Federal development of hydroelectric power on this section of the river system. Under a license approved November 15, 1957, the Alabama Power Co. was permitted to modify one existing power dam and construct four additional power dams with flood control features and provisions for future installation, by the Corps of Engineers, of locks in the three existing and four proposed dams.

The development of the Alabama-Coosa River system is a partnership development between the Federal Government and private capital. The President in the state of the Union message to the 84th Congress on January 6, 1954 (Document No. 1) named three rivers, the Coosa one of them, as complying with the administration's policy of developing the natural resources of the Nation. He further stated that: "This policy has encouraged local public bodies and private citizens to plan their own power sources * * * Now, of course, the Federal Government must shoulder its own partnership obligation by undertaking projects of such complexity and size that their success requires Federal development." The Alabama-Coosa River development complies with the administration's policy. The development of the initial project on the Alabama River is the responsibility of the Federal Government.

The power dam on the Coosa River, a part of the initial project, was eliminated by Public Law 436, leaving the three dams and channel improvement on the Alabama River as the current existing authorized initial project in the comprehensive plan of development of the river system.

The Alabama Power Co.'s application for a license was supported by petitions to the Federal Government from the people of the State of Alabama through their governmental agencies, chambers of commerce, industries, businesses, civic organizations, and individually. The motivating factor behind this was the belief that with the Alabama Power Co. developing the electric power at their expense, the development of the river system would be expedited and accomplished without further delay.

You gentlemen of this committee are cognizant of the present administration's policy of no new starts or resumptions that has existed for the past several years in water resources development. Our association has not been, nor is it now, in sympathy with this policy. We are convinced that it has been detrimental to the future economic welfare of the Nation. Efforts have been made to secure approval of the Bureau of the Budget for an item for Millers Ferry multiple-purpose dam, Alabama River, to be included in the budget for the past 3 years, but without success; we assume this has been due to budgetary requirements for other purposes. Appeals have been made to this committee on 3 prior years and again today we respectfully request that this committee approve the amount of $200,000 to resume planning of the Miller's Ferry Dam.

The Alabama-Coosa River system's drainage basin comprises 22,800 square miles in area. More than 66 percent of the entire basin is in Alabama and 33 percent of the State of Alabama lies within the basin, having a population in excess of 1 million, which is one-third of the population of the State of Alabama. The total population in the three States in the basin exceeds 1.5 million.

The records of the Industrial Relations Department of Alabama for September 1950 show 581,050 employees in covered employment in Alabama. Those employed in the 29 counties in the basin at that time totaled 122,403 and projected on a pro rata basis from an area standpoint, the number employed should have been 193,695, or 71,282 additional persons should have been employed in the basin. The State industrial relations department estimates that

applications for employment are greater in the 29-county area in Alabama than that of any comparable section of the State. Current tabulations are being made but are not yet available.

The above employment record clearly indicates that the area covered by the river basin is not keeping pace with the remaining two-thirds of Alabama. The records of the Alabama Department of Agriculture reveal that in 1950 there were 211,500 farms in the State, whereas in 1959 the figure had declined to 163,000, a loss of 48,500 farms for the 9-year period. It is estimated that approximately 40 percent of the loss occurred in the basin area of the Alabama-Coosa River system.

The economic structure of the Southeast is generally thought to be based on agriculture, however the transformation that has taken place in this field during the last two decades has revolutionized the situation. Today agriculture and industry contribute to the area's income on an almost equal basis with the balance in favor of industry.

The major row crop in Alabama and Georgia has always been cotton, but within the last 7-year period the acreage has been reduced in Alabama by more than 50 percent, and it is assumed that Georgia's record would be comparable.

We have enumerated some of the adverse conditions prevailing in the Southeast that are definitely applicable to Alabama and Georgia. Some of the assets and advantages of the commercial tributary area of the Alabama-Coosa Basin are listed below:

The river basin abounds in mineral resources. A geological survey of the Alabama-Coosa and Tallapoosa (a tributary of the Alabama) River basins dated March 14, 1960, lists 26 minerals found in commercial quantities in the area that are of economic importance with a majority of these being produced at the present time. A total of 76 separate minerals of various types has been located within this area. The report states: "Applied research will find ways of utilizing some of these minerals and rocks, and future geological explorations and investigations will find more and larger deposits, thereby making these minerals commercially important."

From limited research, we have been unable to locate a comparable area in the Nation that has the number and types of minerals found within this river basin.

Forests of both softwood and hardwood are found in the basin and comprise approximately 13,000 square miles, or 60 percent of the area. Wood and paper products are manufactured extensively. The soil is fertile and highly productive with approximately 30 percent of the acreage devoted to agriculture and pastureland.

The river basin contains 18 cities that had an average increase in population of 25 percent from 1940 to 1950. There are a great number of towns and villages throughout the basin, some having lost population.

To repeat, the basin has a population of 1½ million. In addition, the large cities of Mobile, Birmingham, Atlanta, and Chattanooga are located on the fringe of the basin and influence the economy of the area.

The central and northern portion of the basin has many industrial plants, and is rapidly becoming more and more industrialized. The principal industries consist of the manufacture of steel and metal fabrication, paper and paper products, chemicals, electrical equipment, rubber tires and allied products, cast-iron pipe, plumbing fixtures, tractors and farm equipment. Mining and quarrying are carried on extensively within the basin. Marble, limestone, brown and gray iron ore, barites, sand, gravel, clays, materials for cement and magnesium, coal, aggregates, and others are in production.

Incidentally the second largest producer of steel and steel products in the Southeast is located in the basin. The largest newsprint machine in the world is also located on the river. Last year we presented testimony in detail before this committee endeavoring to impress upon you gentlemen the importance of the production of hydroelectric power on the Alabama-Coosa River system. We will therefore, briefly outline the existing plants and the present established program for development of additional electric power. Six hydropower dams were constructed by a private utility on the river system between the years 1914 and 1930 and have been in continuous operation since construction. The installed generating capacity is 489,700 kilowatts. The Corps of Engineers completed a power dam in 1950 on the headwaters of the river with an installed generating capacity of 74,000 kilowatts. The total installed capacity of the river at present is 563,700 kilowatts.

The existing authorized plan of the Corps of Engineers for the initial and ultimate development of electric power on the Alabama section of the river consists of two multiple-purpose dams with installed generating capacity at Millers Ferry Dam of 76,000 kilowatts and 68,000 kilowatts at Jones Bluff Dam, or a total of 144,000 kilowatts.

The Alabama Power Co., in compliance with a license issued by the Federal Power Commission, will modify one existing power dam and construct four new power dams on the Coosa River. The first dam has been under construction since July 1958 and construction of the second dam will begin in the near future. The entire program is to be completed within a 10-year period from start of construction of the first dam or by July 1968. The installed generating capacity will be 565,700 kilowatts.

The existing Federal dam and the two proposed power dams to be constructed by the Corps of Engineers will then have a total installed generating capacity of 218,000 kilowatts Federal power. The existing six dams, owned and operated by the Alabama Power Co., and those included in the current construction program when completed by this company will have a total installed generating capacity of 1,055,400 kilowatts private power. The grand total for the river system will be 1,273,400 kilowatts of private and Federal power.

The potential economic benefits that would accrue to the basin area, the southeastern region, and ultimately to the Nation are too great to delay the development of the Alabama-Coosa River system. Realizing that the Federal Government's share of the cost of the ultimate development of the river is great, our association and the people of Alabama and Georgia, nevertheless, have become impatient with the delay of the Congress in providing funds to continue planning of the initial project; namely, Millers Ferry multiple-purpose dam, Alabama River.

The development of the river system has the support of the majority of our people as evidenced by the delegations that have appeared and the testimony submitted for the record of the committee and Congress. For 3 years the House Subcommittee on Public Works Appropriations has refused to approve requests for an appropriation whereas the Senate subcommittee amended the House public works bill to include funds for the initial project. The House conferees refused, however, each year to approve the Senate action. We cannot understand why a river that is as important to the welfare of the Nation as the Alabama-Coosa remains undeveloped for navigation and other purposes when private capital is developing the electric power on the upper reaches of the river.

Perhaps the opposition of the Association of American Railroads to the proposed public development of this great river has been effective. We are not in position to submit an analysis in detail refuting the accusations of testimony and the analysis submitted by them to the committees: however, it is an indictment of the Corps of Engineers' methods and procedures in determining the economic feasibility of developing the water resources of this Nation.

While we are cognizant of some of the problems confronting the railroads, we are convinced that they are biased in their analysis of water resources development and resent the improvement of any waterway for navigation. To offer some rebuttal to their opposition to competition, we quote from an article appearing in the Waterways Journal, page 10, March 19, 1960, as follows:

"Captain Ingersoll's support of Arkansas River navigation was seconded by railroad executive C. F. Ingersoll, a distant relative, who is chairman of the board of the Midland Valley and other railroads.

"Our railroads are in favor of the Arkansas navigation program," the railroad executive declared. "We have taken this heretical position because our management believes the increased industrialization around areas served by water transportation leads to increased prosperity for railroads. The increasing industrialization around water navigation produces a greater volume of freight to be hauled by railroads. By actual experience, eight major railroads in the Ohio and Mississippi Valleys showed a 23-percent increase after navigation came to the areas, while roads where there was no navigation showed only a 4-percent increase.

From factual data obtained by our association we are convinced that the latest report of the Engineers is conservative in that the estimated tonnage for commerce that will be transported on the river will be much greater. The estimates of the cost of the structures are somewhat high in the opinion of some private engineers. The item for contingencies for the initial project is believed

to be sufficient to meet advancing costs for a reasonable time, thereby retaining or increasing the benefit-to-cost ratio.

We respectfully request that this committee approve an appropriation in the amount of $200,000 for the resumption of planning of the Millers Ferry lock and dam, Alabama River, in the public works bill for fiscal year 1961.

Mr. Chairman and gentlemen of the committee, our association and the individuals here today from Alabama and Georgia express our appreciation for the courtesies extended us and thank you for your favorable consideration.

Mr. CANNON. Mr. Roberts.

Mr. ROBERTS. Our next witness of course needs no introduction to this distinguished committee. He is our junior Senator, John Sparkman, of Alabama. He would like to testify at this time.

Mr. CANNON. Senator Sparkman, we are delighted to have you with us.

STATEMENT OF SENATOR JOHN J. SPARKMAN OF ALABAMA

Senator SPARKMAN. Thank you, Mr. Chairman.

Mr. Chairman and gentlemen of the committee, I have been before you a good many times on this project. I will take very little of your time. I do have a prepared statement that I will submit at this time.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

MILLERS FERRY LOCK AND DAM ESSENTIAL TO COOSA-ALABAMA DEVELOPMENT

Mr. Chairman, I am glad to have the opportunity of appearing before this subcommittee, in behalf of the most crucial project leading to the full development of the Coosa-Alabama River system. I refer to the proposed Millers Ferry multipurpose dam located on the Alabama River. We are asking for $200,000 for planning money for this vital project.

I have been privileged to testify a number of times in behalf of this project and I continue to make these appearances because I am convinced of its soundness.

Perhaps it would be well to recall that the President's Water Resources Policy Commission in 1950 recognized the Coosa-Alabama system as one of 10 great systems that would play an important part in America's future. The Commission made its report during the Korean war.

Because of this conflict, our Federal Government adopted a policy of not launching any new individual projects nonessential to the immediate needs of war. This principle has been carried through into later years but it exists today for budgetary reasons. However, Mr. Chairman, work on the Coosa-Alabama system cannot in any sense be considered a new start, because the Federal Government began helping develop this system in 1876.

The planning and designing is about 40 percent complete. It naturally seems to follow that additional funds should be made available to the Engineers in order that they may carry on this work which has already been started.

The Water Resources Policy Commission deals extensively with the Coosa-Alabama Basin's potential for contributing to the Nation's economy. The report conclusively indicates that the basin's contribution to the national economy would be greatly enhanced by comprehensive waterway development.

We have let 10 years pass since the Coosa-Alabama system was thus recognized and have done little, relatively speaking, to bring about full development of a river system marked as one of prime importance.

It was so marked by the President's Water Resources Policy Commission in 1950. It was so marked by Congress when Congress authorized construction of the Millers Ferry project over 14 years ago and when Congress subsequently voted $249,000 for preconstruction planning.

It was so marked by President Eisenhower in his state of the Union address in 1955 in which he specifically labeled Coosa-Alabama development as an

example of Federal partnership with local and private organization for river development.

Mr. Chairman, it is in the power of this committee to take action which will benefit the entire Nation. It is in the power of this committee to do what two Presidents, the Congress, and the U.S. Corps of Engineers say is feasible.

My plea here today would be viewed with skepticism if I said that the fact that this project is in Alabama is not a major reason for my testifying. Of course it is a major reason. However, we must not forget that development of the Coosa-Alabama would help the entire basin, which covers a considerable part of northeastern Georgia and a small part of Tennessee. The cities of Birmingham and Atlanta lie just outside its boundaries and influence its activities.

I hope very much, Mr. Chairman, that this committee will approve $200,000 needed to resume planning on Millers Ferry lock and dam.

Senator SPARKMAN. I want to say amen to those things that have been said. We are greatly interested in this project and I believe from the map it can be seen that probably no other State in the Union has so much of its territory drained by a single stream as does Alabama; that is, with a single stream that remains undeveloped.

It is not quite fair to say it is undeveloped, because there is a tremendous development on the upper end of it, but it is not worth anything as long as the lower end is bottled up. That upper end of this system is being developed under a plan that was particularized by the President in his state of the union message in 1955. He named this development as a particular partnership undertaking and said in that message that the Federal Government should do its share toward building projects that require Federal help.

That was 1955, and those are almost the exact words that he used. If the committee would like to have it, I would be glad to get the exact words and put them in the record.

You may remember this development was authorized in 1945 for a Federal program, that is, the Coosa. After a good many years the Alabama Power Co. came in and said they would like to develop the Coosa and they gave us a plan and gave us assurance it would be done for the benefit of the people, so the entire Alabama delegation joined in asking Congress to deauthorize that upper part of the stream, and the Congress did that and the power company is in there today building the dams for the generation of power, leaving room for the locks, and navigation can easily be provided.

The Army Engineers said there was no need of building locks in the upper end until they could get some assurance of the block being removed in the lower end, and that is what we are asking the committee to do.

Mr. CANNON. I believe the Governor said this river system was second only to the Tennessee?

Senator SPARKMAN. In the Southeast, yes.

Mr. CANNON. The Tennessee, through the development of TVA, and the Columbia, through the development of the great dams, have created areas of unprecedented prosperity.

Senator SPARKMAN. That is correct. I just wish I had time to detail to you this stream, but just dealing with the part of it in Alabama, the first sizable industrial area it comes through is the city of Gadsden, then it comes near Anniston and Talladega on down to Wetumpka, Montgomery, Selma, and on down to Mobile, heavy industrial areas with great and fine potentials if we could just get the river released so that it could serve this great area. This area then

could be an area of great value and great prosperity whereas, as Kenneth Roberts said, now our young men and young women can find no employment in that area and they move out. I would like to see our boys and girls remain at home working with products indigenous to this area. That is what this river would make possible.

We humbly ask this committee to give us a chance to start on the development of this river. It will mean so much to our area.

Mr. CANNON. Thank you, Senator Sparkman.

Mr. ROBERTS. Mr. Chairman, I see our time is up. I would like to ask permission to submit for the record certain resolutions passed by numerous bodies in the basin.

Mr. CANNON. They will be filed with the committee for its review and a list included in the record at this point.

(The documents follow:)

STATEMENTS OR RESOLUTIONS SUBMITTED TO THE SUBCOMMITTEE ON PUBLIC WORKS APPROPRIATIONS OF THE HOUSE OF REPRESENTATIVES, APRIL 12, 1960

1. Alabama Planning and Industrial Development Board.
2. Southern Industries Corp.
3. Monroeville Chamber of Commerce.
4. City of Monroeville.
5. Judge of probate, Monroe County.
6. Grove Hill Chamber of Commerce.
7. Court of county commissoiners, Wilcox County.
8. The court of county revenues of Dallas County.
9. City of Selma.
10. Bush Hog Manufacturing Co., Inc.
11. City of Montgomery.
12. Board of Revenue, Montgomery County.
13. Chamber of Commerce of Montgomery.
14. Probate court, Autauga County.
15. City of Tuskegee.
16. Millbrook Men's Club.
17. County commissioners' court, Elmore County.
18. City of Wetumpka Chamber of Commerce.
19. Chilton County Chamber of Commerce.
20. City of Clanton.
21. City of Talladega.
22. Talladega Chamber of Commerce.
23. Kiwanis Club of Talladega.
24. Talladega Rotary Club.
25. City of Sylacauga.
26. Sylacauga Chamber of Commerce.
27. First Federal Savings & Loan Association.
28. The First National Bank of Sylacauga.
29. The City National Bank of Sylacauga.
30. Pilot Club of Talladega.
31. Talladega Toastmasters Club.
32. First National Bank of Childersburg.
33. Coosa River Newsprint Co.
34. Beaunit Mills, Inc.
35. Board of Revenue, Shelby County.
36. Shelby County Development Board.
37. Town of Columbiana.
38. Kiwanis Club of Columbiana.
39. Judge of probate, St. Clair County.
40. City of Pell City.
41. Town of Ragland.
42. Chamber of commerce, Pell City.
43. City of Anniston.
44. County Commission, Calhoun County

45. Anniston Chamber of Commerce.
46. The First National Bank of Anniston.
47. Board of Revenue, Etowah County.
48. City of Gadsden.
49. Gadsden and Etowah County Chamber of Commerce.
50. City of Centre.
51. Cherokee County Board of Revenue.
52. Cherokee County Board of Revenue and the Cherokee County Chamber of Commerce.
53. Coosa Valley Planning and Development Association.
54. City of Cartersville.
55. City of Dallas.
56. Association of County Commissioners of Roads and Revenues, Seventh Congressional District of the State of Georgia.
57. Board of Commissoiners of Roads and Revenues, Floyd County.
58. Rome City Commission.
59. Chamber of Commerce, Rome and Floyd County.
60. City of LaFayette.
61. Mississippi Valley Association.

Mr. ROBERTS. Mr. Chairman, our colleague, Frank Boykin, is here. Frank can say more in a minute than we can say in an hour.

Mr. CANNON. We are always glad to hear from Mr. Boykin.

STATEMENT OF REPRESENTATIVE FRANK W. BOYKIN, ALABAMA

Mr. BOYKIN. Thank you.

First I want to thank you for the many, many things you have done for us in Alabama. We have the Tennessee and the Tombigbee going beautifully and if we can only open the Alabama-Coosa up, there is nothing like it on earth undeveloped. The Indians dug a channel across from the Alabama to the Tombigbee. There are 1 million acres of the finest timber in the world between the Alabama and the Tombigbee Rivers now. It is the finest timber in the world. It is covered by over 20 feet of water now; if we could ever get this development started we could control the water and bring in millions and millions and millions of dollars. It is the richest land in the world. It is as rich as the Nile. But nothing can be done with it until this stream can be controlled. They have been working on it for over 100 years. The father of the president of our committee worked on it, and his grandfather, and all of our fathers, and we want you gentlemen to give us a measly $200,000 to get it started.

Mr. Chairman, I just made a trip with my committee. I traveled 44,000 miles. I passed many places where we have given millions of dollars. I was in Hong Kong, Tokyo, New Delhi, and Jerusalem, where our Christ was born, and everywhere they have been given money except this wonderful State of Alabama. If it were not for Alabama we would not have this wonderful country. The Battle of Horseshoe Bend was the start of it. We lost that one to the British but we won the next one and then went down to win the one in New Orleans and Pensacola and that saved the United States. We are asking that you give us a measly $200,000 for this project that means so much not only to us in Alabama but to all mankind.

Here is a statement I would like included in the record.

Mr. CANNON. It will be included in the record at this time.

(The statement follows:)

STATEMENT OF FRANK W. BOYKIN

Mr. Chairman, and members of the subcommittee, we come before you again in behalf of a $200,000 appropriation for planning funds for the Millers Ferry lock and dam on the Alabama River, Ala. To save the time of this subcommittee I am presenting an editorial from the South Alabamian, of Jackson, Ala., dated April 7, entitled "Where Is the Money?" which I shall appreciate you gentlemen taking time out to read.

[From the South Alabamian, Apr. 7, 1960]

WHERE IS THE MONEY? . . .

The Federal budget has been published and taxpayers throughout the Nation have torn themselves away from their forms 1040, 1040–A, and all the other devices designed to bring the glittering flow of coin into the Federal Treasury. There were the usual billions for national defense, more billions to buy and store more farm surpluses on top of the accumulation from previous years now resting in crammed warehouses and groaning elevators. There were more billions earmarked for financing the machinery of Government, still more for foreign aid, and nearly a billion for the development and protection of our national resources. This latter item was the one which was most avidly perused by thousands of Alabamians and Georgians living in the Alabama-Coosa River Basin. They knew Congress had authorized a project to develop their rivers, and the President for whom this budget was prepared had publicly stated previously that the development of these rivers, already begun by the Alabama Power Co., was an excellent example of his administration's "partnership" policy. Surely then it was expected that he would see to it that the funds to finance the Federal Government's initial share of this "partnership project" would be included in his budget.

To those optimistic people who expect deeds to follow words, this document was bitterly disappointing. There was a long list of projects of infinite variety, from wildlife studies and small boat harbors to siltation studies and hyacinth control. The dismal fact remained, however, the Alabama-Coosa River had again been ignored.

Where is the money? Are not our Federal taxes computed on the same tax tables as those of our neighbors in other States where rivers are being developed with Federal funds? Do we not send our sons to defend our country in time of national emergency? Then why are we consistently ignored when we ask for less than our share of the money, while others, no more deserving than we, are favored? Certainly it can't be ignorance on the part of those responsible for the appropriation of funds because the Coosa-Alabama River Improvement Association has spent years gathering and processing facts and figures which they have taken to Washington to present to the congressional committees controlling these funds. Nor can it be from any lack of interest on the part of the business leaders of our State. Year after year these men have left their businesses and at considerable personal expense have spent long weary hours in congressional corridors and offices pleading for assistance in the development of these rivers. Is it a "pork barrel" project denied in the interest of governmental economy? Certainly not; the Corps of Engineers' surveys made in 1941 showed that the development of these rivers would actually return a profit to the Federal Treasury. Again in 1958 a second study by the Corps of Engineers confirmed this fact. For the past 3 years, the Senate has approved the appropriation of the necessary funds, only to be blocked by a negative vote in the committee of the House of Representatives. The elected Representatives from the districts within the Alabama-Coosa River Basin have made every effort to win approval for the request for funds, but to no avail.

Where is the money? It is available and the decision rests with the Subcommittee on Public Works Appropriations in the House of Representatives. We, the people of Alabama, must exert every effort to influence the members of this committee in favor of the Alabama-Coosa River development.

All that stands in the way to prevent the project moving to completion is congressional approval of the funds. Let's stop dreaming and start digging. The treasure is well worth the effort. We must see to it that the necessary funds are appropriated by Congress. Let's get on with it!

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I would like to say that Frank Boykin in a few minutes made what I believe is a more convincing argument for this appropriation than many people could make by speaking or writing a whole day long. Frank, it was wonderful.

Mr. BOYKIN. Thank you, Ben.

Mr. ROBERTS. Mr. Chairman, I would like to submit statements of the following members of the Alabama delegation:

Congressmen George W. Andrews, George M. Grant, Carl Elliott, Armistead I. Selden, and George Huddleston, Jr.

Mr. CANNON. They will be included in the record at this point.

(The statements follow:)

STATEMENT OF HON. GEORGE W. ANDREWS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA

Mr. Chairman, I am appearing before this subcommittee today in behalf of a water development project which, in spite of its comparatively low cost to the U.S. Government, stands to become one of the greatest stimulants to tax revenue collection in the United States.

I am speaking of the Coosa-Alabama River project which is already beyond the early stages of its development. Right now, the Coosa-Alabama needs $200,000 for the resumption of planning of the Millers Ferry lock and dam on the Alabama River. This planning is now 38 percent complete. Appeals to Congress for more money to carry out the advanced stages have been ignored. Perhaps some of the reluctance to provide the funds is based on the executive department's policy which limits "new starts" or resumption of projects for planning and construction of water resources development. At any rate, the Federal budget for fiscal year 1961, which was publicly released by the President on January 18 did not include funds for the work on the Millers Ferry Dam. This dam is the initial project scheduled by the Corps of Engineers in the development of the Coosa-Alabama River system for navigation and other purposes.

The great source of tax wealth that I mentioned will be the businesses, industries, and personal incomes which are sure to result from the development of the Coosa-Alabama. When navigation is possible throughout the entire river system, Alabama's capital, Montgomery, will become a marketplace for every type of industrial product. The system will connect Montgomery with the markets of the world and other centers in the United States.

The commercial wealth stimulated by worldwide and nationwide trade will lead to bigger revenues for the U.S. Treasury. Invariably, water development attracts heavy industries; heavy industries attract satellite businesses, and all such enterprises create a need for employees, transportation, and other services.

If the U.S. Government is to reap the tax benefits which will accrue from the Coosa-Alabama River project and give the people of Alabama a greater opportunity to advance industrially, then it is imperative for the members of this Public Works Appropriations Subcommittee to grant the small request of $200,000, so the projects which were authorized by Congress and scheduled by the Corps of Engineers may be finished.

STATEMENT OF HON. GEORGE M. GRANT, SECOND DISTRICT, ALABAMA

Mr. Chairman, the Alabama delegation and the many outstanding leaders of our State come before you again today to request that you carefully consider and recommend the inclusion of $200,000 for the planning of the Millers Ferry, Ala., lock and dam in the budget proposals for fiscal 1961. It has been repeatedly established by the Corps of Engineers that the urgently needed development of this river system is economically feasible and would add much to the growth and progress of the entire Southeast.

We all know that the President has cited the Alabama-Coosa system as a prime example of cooperative development between public and private interests. The private portion of the project is well underway, and the need for funds to develop the public portion becomes increasingly apparent each year.

This river system, which touches nearly half the counties in the great State and several counties which I have the honor to represent, is second only to the

Tennessee in size in the Southeast, and flows through the greatest undeveloped area of the Nation.

The recent spring rains and resulting floods in Alabama and other parts of the Nation serve to emphasize the service which a controlled water system could render on the Alabama-Coosa. It is estimated that over 550,000 acres would be protected upon completion of the current plan.

Proper use of the water and power resources along this great tributary would not only aid the economy of the area through better service to its residents but be a stimulant to industrial development at the many available sites along its banks. Natural resources and potential workers abound in this section of our country and need only the encouragement which development of this river would bring to make the Southeast the strong economic area it should be to take its rightful place with other sections of the country.

Mr. Chairman, this group has appeared on a number of occasions in past years, each time with renewed hopes and a greater realization of the increasing need for this appropriation. We feel that this is the year in which all our hopes and needs will reach a point that will convince the members of your committee and yourself that now is the time to grant us the aid we need. I urge you again to include the needed $200,000 for the planning of the Millers Ferry Dam in your recommendations for the coming year.

STATEMENT OF HON. CARL ELLIOTT

Mr. Chairman Cannon, I am appearing before the Subcommittee on Civil Functions today to urge you to make available $200,000 in order that planning work, already begun, may be completed in the next fiscal year on the Millers Ferry lock and dam on the Alabama River.

I am reminded that in the President's state of the union address to the 84th Congress on January 6, 1955, he said:

"At the foundation of our economic growth are the raw materials and energy produced from our minerals and fuels, lands and forests, and water resources * * * and third, to treat resource development as a partnership undertaking. * * *"

The President specifically referred to the Coosa-Alabama River development as a partnership undertaking and said: "The Federal Government must shoulder its own partnership obligations by undertaking projects of such complexity and size that their success requires Federal development."

Private industry is carrying its share of the load on the Coosa-Alabama. On the upper stretches of the waterway, Alabama Power Co. already has embarked on a multimillion-dollar dam-building program which will revitalize a large basin in Alabama and Georgia and which could turn the Coosa-Alabama River Valley into an industrial dreamland. But to date the Federal Government has failed to do anything toward carrying out purely Federal functions for the development of the river.

Let me review briefly the history of the Coosa-Alabama project. The Secretary of War in 1941 submitted to Congress an interim report of the Corps of Engineers (H. Doc. 414, 77th Cong.) outlining definite recommendations for development of water resources on the Coosa-Alabama River.

The 79th Congress, 1st session, 1945, authorized the construction of three dams on the Alabama River—Jones Bluff in Lowndes County, Millers Ferry in Wilcox County, and Clairborne in Monroe County (authorization in public laws, 79th Cong., 1st sess., 1945, vol. 59, pt. I, ch. 19, sec. 2, p. 17). Fourteen years following the 1945 authorization we find that planning is only about 40 percent complete and that no provision has been made for several years to include in the budget an appropriation in compliance with the original authorization. In 1959 Maj. Gen. W. K. Wilson, Jr., Deputy Chief of Engineers for Construction, wrote the Alabama congressional delegation that in the Appropriations Act for 1956 (Public Law 84–163) funds were appropriated for a study of the Alabama-Coosa which "is now before the Rivers and Harbors Board for review."

He said the study "does not change in any way the existing authority for the entire project or their ability to proceed with construction of the work below Montgomery, for which the plan is essentially firm."

I quote from General Wilson's letter:

We consider that in a logical development of this river system for navigation the work on the Alabama River up to Montgomery should be undertaken first,

and prior to improvements upstream on the Coosa River. Consequently, we had concentrated our planning largely on Millers Ferry and Jones Bluff, the two larger projects below Montgomery. We feel that one of these should be initiated first, as the smaller Claiborne lock and dam and the channel work below could be initiated at a later date but completed about the same time as the larger upstream projects. Preconstruction planning for the Millers Ferry and Jones Bluff projects is about 40 percent complete.

I believe the request for an appropriation of $200,000 for advanced planning is definitely justified and would expedite the development of the Coosa-Alabama River, which ultimately will serve, directly or indirectly, 1.5 million citizens of Alabama and northwest Georgia and, in addition, place the area of the river in a competitive position with other developed waterways for the location of heavy industry.

Let me tell this committee some of the great things that will come about if this river project could be completed.

There will be lower transportation rates on bulk materials such as petroleum products, nonmetallic minerals, metal products, chemical and fertilizer products, and many other miscellaneous bulk commodities. Also, there will be stabilization of transportation rates throughout the river basin.

There would be expansion of present and location of additional industries, which would require ample power and water.

This river development would help reduce our surplus labor. It would provide abundant recreational facilities, additional small businesses and homes, utilization of electric power in the area of production, and increase the economy of the States of Alabama and Georgia. Development of this great waterway for navigation will greatly strengthen the economy of the Nation.

Let me tell you what it would specifically do for Alabama's coal-mining industry. The coalfields of Alabama are less than 400 miles from tidewater, a distance less by far than any other coalfield of the United States to tidewater. The great coalfields of the Appalachian region cannot reach tidewater except through tributaries of the Ohio River and then down the Ohio to New Orleans. There is no water outlet from the great coalfields of the East such as West Virginia, east Kentucky, and Pennsylvania to the eastern seaboard. Owensboro, Ky., and Evansville, Ind., are about 1,400 miles from New Orleans and these coalfields of west Kentucky and southern Indiana and southern Illinois are closest to tidewater of all other except the Alabama coalfields.

The quality of the coal in Alabama's Warrior and Cahaba coalfields is, in the main, superior to the coals in west Kentucky and Indiana and Illinois. The reserves in these two Alabama fields are of great magnitude.

The Warrior coalfield is penetrated by the Sipsey and Mulberry Forks of the Warrior River, which connect with the intercoastal waterway after it joins the Tombigbee. In addition to the great and varied manufacturing plants which consume vast quantities of steam, presently generated largely by gas and oil, there are many utilities which have steamplants along this water course and the intercoastal canal. Nearly all of these steamplants are turning to coal.

The electric utilities along the west coast of Florida, the gulf coast of south Georgia, south Alabama, and Louisiana, will ultimately turn to Alabama coal as gas becomes shorter in supply and oil more costly because of deep drilling and drilling offshore.

With the increasing movement of iron ore from Venezuela upstream and the large movement of finished steel downstream by the United States Steel Corp. and the large movement of oil and other products upstream added to the potential coal movement, navigable conditions on the Warrior River will eventually become so congested as to require some supplementary means of water transportation to the gulf coast such as the Alabama River. In addition to this fact, I doubt that there is sufficient quantity of coal directly on the banks of the Warrior River to provide a production of 27,000 tons per day, other than that which is the property of large pig iron and steel producers or other captive coal operators. Twenty-seven thousand tons per day is the estimated need by 1970 of just three electric utilities on the Warrior and Alabama. It will be necessary to turn to the Cahaba coal field to supplement the tonnage from the Warrior field. It is less than 50 miles from the southeast edge of the Cahaba coal field to Selma on the Alabama River by direct line, and it is only 55 miles from Montevallo to Wetumpka on the Alabama River. Coal mined in the Cahaba

field could move either by rail to Selma and be shipped by barge down the Alabama River to the gulf coast or be transported by pipeline from mines to the river. Moving coal by pipelines from the Ohio coal fields to Cleveland, a distance of more than 110 miles, has been found economical.

The coal industry in Alabama during the past 15 years has been seriously impaired and weakened. The future with proper encouragement such as the development of the Coosa-Alabama River can be bright beyond our present expectations.

The Congress has authorized the Millers Ferry Dam. It is an important part of this program and it has been found to be economically feasible by the U.S. Corps of Engineers. But, despite this, we have constantly been refused even the barest minimum for planning the construction work already authorized.

I ask the committee to consider the area and the population that will be affected by the development of this river system and it will see that this certainly is a project of great importance to a great section of our country. The area commercially tributary to the Alabama and Coosa Rivers comprises all, or parts of, 43 counties in Alabama, Georgia, and Tennessee. The population of these counties in 1950 was 1,547,000 of which 39 percent was urban. The principal agricultural crops are cotton and corn. The processing of forests products is an important activity on the southern shores of the basin. The northern part is becoming highly industrialized. Waterborne commerce at the present time is confined to the lower 80 miles of the Alabama River. It has averaged 167,000 tons annually during the period 1950–56. This has consisted primarily of logs, pulpwood, crude oil, and sand and gravel.

I think that the committee considering these facts will agree with the Corps of Engineers that development of the Coosa-Alabama River is economically justified by the prospective benefits and that these benefits will not be limited to just a single county, section of a State, or a State itself but to several States which play an important role in the total economy of this Nation.

STATEMENT OF REPRESENTATIVE ARMISTEAD I. SELDEN

Mr. Chairman and members of the committee, we deeply appreciate the opportunity to come before you this afternoon in support of an appropriation of $200,000 for the continuation of the planning and designing of the Millers Ferry multiple-purpose lock and dam to be located on the Alabama River near Camden, Ala.

As you know, funds totaling $249,000 have been expended in previous years for planning and designing purposes and preauthorization studies of the Millers Ferry facility. This phase of the project is now 38 percent complete and, if the requested $200,000 is appropriated this year, 70 percent of the planning can be finished. There will then remain only $201,000 in additional funds that will be needed to complete the advance planning stage. Let me emphasize, then, Mr. Chairman, that the amount requested will continue rather than begin the planning and designing of this important structure.

The only three dams now on the Coosa-Alabama Waterway were built by the Alabama Power Co. prior to 1925 and are operated as hydroelectric facilities. In accordance with the provisions of Public Law 436 of the 83d Congress, however, the Alabama Power Co. has been granted a license to construct four additional hydroelectric dams on the upper reaches of the Coosa River. The first of these, the Weiss Dam, is presently under construction.

The three existing Alabama Power Co. dams and the additional four that are to be built will greatly reduce the overall cost of developing the Coosa-Alabama Rivers for navigational purposes. However, until the Government adds locks to the Coosa River dams that have been and will be built by private enterprise and then constructs on the Alabama River the three additional facilities already authorized by Congress, the Coosa-Alabama system cannot be used as a traffic artery. As you know, this important waterway remains one of the greatest underdeveloped river systems in the entire United States, despite the fact that it was authorized for development many years ago and that each report of the Chief of Engineers has substantiated the economic feasibility of developing the Alabama River below Montgomery, Ala.

With the beginning of construction by the Alabama Power Co. of additional dams on the Coosa, the development of this water artery has at last been resumed.

To continue this orderly development, it is vital that the planning of the Millers Ferry installation also be recommenced as quickly as possible. I, therefore, respectfully urge the members of the committee to approve the request for planning funds for the Millers Ferry lock and dam.

STATEMENT BY REPRESENTATIVE GEORGE HUDDLESTON, JR., OF ALABAMA

Over 20 years ago the Alabama-Coosa River Basin was designated the Nation's No. 1 economic problem area.

Today, the region's resources are still relatively undeveloped compared to their potentials. Floods do considerable damage. Unemployment is high, particularly in the smaller towns, and many farmers have had to move away. Those farmers who remain find few jobs to supplement their small farm incomes.

Fifteen years ago Congress raised high hopes in the hearts of the people of the area when it authorized, on March 2, 1945, several Corps of Engineers' projects for flood control, electric power production, other purposes, and to dredge the rivers to a navigable 9-foot depth. These projects would stimulate commercial water traffic, attract new industries, provide jobs, and develop resources.

The possibility of navigation on the Alabama River encouraged several industries to locate there, including a large chemical plant which purchased 850 acres of land in the area. A magnesium company and other firms hope to build plants in the basin. Early in 1954 the Alabama Power Co. expressed a desire to build several dams and develop electric power on the Coosa River. The company received a license from the Federal Power Commission on September 4, 1957, contracting that all its dams be completed in 10 years after commencement of the first dam. Construction has begun by that company on Weiss Dam on the Coosa River, and ground-breaking ceremonies were held on April 26, 1958.

Because Congress, in 15 years, has not appropriated funds, there has been no Federal construction on the Corps of Engineers' two multiple-purpose locks and dams nor on the other lock and dam on the Alabama River. Navigation improvements for about 300 miles on that river to a 9-foot depth are still lacking.

I strongly urge your quick approval of the small sum of $200,000 needed by the Corps of Engineers to resume advance planning on Millers Ferry lock and dam near Camden, in Wilcox County, 142 miles above Mobile, Ala.

Millers Ferry lock and dam is a multiple-purpose project approved in 1945 to provide flood control, navigation, and electric power capacity of 76,000 kilowatts. Jones Bluff lock and dam, 247 miles above Mobile, is a multiple-purpose project planned to have 68,000 kilowatts of electric power capacity. Those two dams will have an average annual electric energy output of 729,000 kilowatt-hours. Claiborne lock and dam was authorized for construction 83 miles above Mobile to provide flood control, navigation and other benefits.

Good congressional planning requires a quick start on development of the Corps of Engineers projects so that improvements on both the Alabama and Coosa Rivers may be completed together, in about 10 years.

Early development of the Alabama-Coosa River system is vitally important to the families of at least 1,500,000 people in that basin including numerous industries and associations of whom all seem to favor the projects.

The basin covers about 23,800 square miles or about one-third the area of Alabama and several counties in Georgia. That region is one of the least accessible areas in the United States to the enemy in time of war and its development is valuable to our defense and to inter-American and other foreign trade.

The region's potential contribution to national and local development are great. In 1950 the President's Water Resources Policy Commission termed the Alabama-Coosa Rivers as potentially 1 of the 10 greater rivers systems in the United States.

The area has numerous minerals, some of which are only partially developed but most of them occur in quantity and could be valuable commercially if the rivers were navigable and power available. Some of the many minerals include asbestos, barite, bauxite, clays, coal, dolomite, fuller's earth, glass sand, graphite, gravel, lignite, limestone, manganese, mica, oil, selma chalk, slate, and tin.

The Corps of Engineers has reported a favorable benefit-cost ratio of 1.10 to 1 for the Alabama-Coosa River projects, which means they will ultimately more than pay their way. These projects will provide electric power, and

encourage expansion of present industries and the development of new products and industries. They will allow lower and more stable transportation rates for bulk materials, provide job opportunities, and supplemental incomes for farm families. The dam will not only help provide power and flood control; it will also create abundant recreational areas along the rivers by flooding the low marshlands. The reservoirs would provide water for irrigation.

I believe that quick action on these projects is vitally important to the Alabama-Coosa River Basin and to the United States. Consequently, I once again urge that you approve the $200,000 needed soon for resumption of advance planning of the Millers Ferry lock and dam on the Alabama River.

TUESDAY, APRIL 12, 1960.

HARTWELL DAM AND RESERVOIR

WITNESS

HON. PAUL BROWN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. CANNON. Congressman Brown, we are glad to have you with us. Do you have a statement you wish to make to the committee?

Mr. BROWN. Thank you, Mr. Chairman. I will only take a minute of your time.

I came here to request first an appropriation in the amount of $21,375,000 to continue construction work on the Hartwell Dam and Reservoir on the Savannah River between Georgia and South Carolina.

The estimated cost of this project is $98,600,000. Appropriations to date have totaled $54,815,000. The amount requested for 1961 is $21,375,000.

The initial installation will be four units at 66,000 kilowatts or 264,000 kilowatts. The ultimate installation will be five units.

The benefit-cost ratio is estimated to be 1.2.

Congressman Bryan Dorn of South Carolina, asked me to state to the committee that he joins in this request for the appropriation for the Hartwell Dam and Reservoir.

I will file my statement for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

Mr. Chairman and gentlemen of the committee, I am seeking your favorable consideration of an appropriation in the amount of $21,375,000 to continue construction work on the Hartwell Dam and Reservoir on the Savannah River between Georgia and South Carolina. This is the amount recommended by the Army Engineers and the Director of the Budget.

Previous appropriations for this meritorious project amount to $54,815,000.

The benefit-cost ratio is 1.2 Most of the land needed in both the States of Georgia and South Carolina has been acquired.

I would like to point out that the bid of $21,945,774.50 for construction of the concrete dam is considered unusually low by the Corps of Engineers.

You already know the merits of this project from the testimony of the Army Engineers and other experts who know most intimately about the merits of the Hartwell Reservoir.

The project was authorized for flood control and power generation. The initial power installation will be for 4 units at 66,000 kilowatts or 264,000 kilowatts. It will ultimately have a storage capacity of more than 2,800,000 acre-feet of

water. Every dollar invested in this project will be recovered by the Federal Government and the people of the area. It is a thoroughly sound investment in a project of the type which all informed authorities agree must be constructed by the United States in order that the water resources of the Nation shall be developed and utilized in the public interest. This project is a multipurpose water control project, for the control of floodwaters, the improvement of navigation, the production of hydroelectric power, and many other benefits which flow from a well regulated river.

The better regulated streamflow will be beneficial to the existing Clark Hill installation and to all other hydroelectric projects on the Savannah River, existing and prospective, downstream from Hartwell.

The flood control provided by the Hartwell Reservoir will give added protection to the city of Augusta and make possible the reclamation of some 200,000 acres of fertile lands along the river between Augusta and Savannah.

The better regulated flow will increase navigable depths below Augusta and thus greatly benefit navigation.

I wish to emphasize the importance of the Hartwell Reservoir to the Savannah River plant of the Atomic Energy Commission, located on the Savannah River just below Augusta, which will benefit from the flow regulation afforded by Hartwell Dam. The plant requires enormous quantities of water for cooling and processing purposes. The atomic energy plant will also receive many other benefits from the Hartwell Reservoir project, including a heavier and more dependable flow of water during the ordinary low-water season; higher elevation of the water surface of the river, thus effecting economies in pumping; and lower temperatures of the water than at present which will be more effective for cooling purposes and also will reduce considerably the cost of operating the plant as the water will be cooler.

I hope that the amount requested, $21,375,000, for fiscal year 1961 will be recommended by the committee for continuing the construction of Hartwell Dam and Reservoir.

9-FOOT CHANNEL, SAVANNAH RIVER

Mr. BROWN. The next is a 9-foot channel on the Savannah River below Augusta, Ga.

The estimated cost of this project is $3,710,000. Appropriations to date have been $2,073,000. The amount requested for 1961 is $900,000.

The channel will be 9 feet deep and 90 feet wide. The principal commodities of commerce are petroleum products, brick and tile. It is estimated that with a stabilized 9-foot channel shipping will be increased to a million tons of diversified cargo annually.

The estimated benefit-cost ratio is 1.4.

I will file this statement for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

Mr. Chairman and gentlemen of the committee, I appear before you today in support of an appropriation of $900,000 for continued construction work on the navigation project on the Savannah River below Augusta, Ga., to provide a stabilized channel with a minimum depth of 9 feet and a width of 90 feet as authorized by Congress. The estimated cost of the project is $3,710,000. Congress has already appropriated $2,073,000 for the project.

The Savannah River is formed by the confluence of the Tugaloo and Seneca Rivers on the northwestern part of the South Carolina-Georgia boundary line It flows southeast 314 miles, forming the boundary line, and empties into the Atlantic Ocean 16.6 miles below Savannah, Ga.

For many years the Corps of Engineers has recognized the importance of developing navigation on the Savannah River between Augusta and Savannah Harbor as the key to unlock the great industrial future of the central Savannah River area of eastern Georgia and western South Carolina. The existing channel dimensions in the Savannah River are inadequate for present or reasonably prospective commerce. The existing traffic moves only with great difficulty and new traffic is not encouraged by the uncertain prospects of an adequate channel.

Since completion of the Clark Hill Dam, considerable interest has been evidenced in the possibility of utilizing the river for freight movements. The principal commodities are petroleum products, and brick and tile now moving on the river to and from the terminals at Augusta. The provision of a 9-foot channel will permit the barges to be loaded to full draft at all times, and, with the easing of the bends in the river, towboats will be able to navigate the bends with two barges in tandem. The current benefit-to-cost ratio is 1.4.

It is my honest opinion that lack of a stabilized channel has held up the industrial rebirth of the entire central Savannah River area, since the river's transportation, coupled with an abundance of good water, power, and ideal climate constitute and advantage unsurpassed by any other section, when it is developed.

So strong is the belief of the people in the future of navigation on the Savannah River that the General Assembly of Georgia in 1957 authorized the Governor of Georgia to spend $500,000 for construction of port facilities in Augusta. This followed the faith exemplified by the ctiy of Augusta, where the city council not only appropriated money for a new municipal dock but additional funds to build a parkway along the riverfront and launching facilities for pleasure boats.

It has been shown that even without a stabilized channel much interest has been shown in navigation on the Savannah River, with many thousands of dollars invested in towboats, barges, and other river equipment, and one of the largest shippers has increased its original tonnage more than threefold.

With such interest in the face of present channel uncertainties, it is reasonable to assume that with a stabilized 9-foot channel, the shipping potential would be increased to a million tons of diversified cargo annually, covering a wide range of commodities, as set forth in detail in the reports of the Corps of Engineers and surveys conducted by the Chamber of Commerce of Augusta.

I respectfully request you to recommend an appropriation of $900,000 as recommended by the Army Engineers and the Director of the Budget, so that the work of constructing the channel may be expedited.

SOUTHEASTERN POWER ADMINISTRATION

Mr. BROWN. I have one other, which is the appropriation request of the Southeastern Power Administration, the headquarters office of which is located in my hometown of Elberton, Ga.

The amount requested is $800,000. Of this $261,000 is for maintenance of headquarters and $529,000 is for wheeling charges and firming energy. It is estimated that the revenue to be collected by the agency and turned over to the Federal Government will be approximately $19 million for the current fiscal year and approximately the same for 1961.

I will not take up more of your time, but I will file this statement for the record.

Mr. CANNON. Thank you, Congressman Brown. The statement will be included in the record at this point.

(The statement follows:)

Mr. Chairman and gentlemen of the committee, it is again a pleasure for me to appear before this subcommittee in connection with the appropriation request of the Southeastern Power Administration. This agency, as you know, is a power marketing agency in the Department of the Interior which exercises in the 10 Southeastern States the marketing responsibilities of the Department under section 5 of the Flood Control Act of 1944. In this 10-State area there are now 11 Corps of Engineers projects in operation and 3 under construction whose power is being or will be marketed by Southeastern Power Administration. In addition to my general interest in the program of the agency, I have a particular interest in its operation since its headquarters office is located in my hometown, Elberton, Ga.

The agency's request for funds for 1961, like its appropriations for 1960, involves funds for the maintenance of the headquarters office in Elberton and also funds for the payment of wheeling fees and purchase of firming energy.

A large part of the appropriation request is for the latter purposes and of the total request of $800,000 only $261,000 is requested for the maintenance of the headquarters office in Elberton. The requested appropriation will provide for continued operation of the agency at its present level in spite of the fact that the agency's responsibilities are progressively increasing. In view of this I feel that the full amount requested in the President's budget for 1961 should be appropriated.

The request for funds for wheeling charges and purchase of firming energy amounts to $529,000. The request which has been made for fiscal year 1961 is based, like that for the current year, upon the payment on a monthly basis from appropriated funds only of the amount due the companies with whom the Government has wheeling and firming contracts for wheeling and firming over and above any amount due the Government from that company for the same month.

I hope you will bear in mind that Southeastern Power Administration is a revenue-producing agency and that all expenditures made by it from appropriations will be repaid from revenues for power sold by it. It is estimated that during this fiscal year the agency will earn from power sales approximately $19 million and revenues for fiscal year 1961 are estimated to total approximately the same amount.

As I have stated in the past, I am deeply concerned with three matters for which the agency has responsibility and for which I feel the agency must be adequately staffed. First, I think it is essential that the agency negotiate and enter into contracts for the sale of power which will result in a fair division among all prospective purchasers of the benefits from the Federal hydroelectric developments, having due regard to the preference provisions of the law. Second, I feel the administration of these contracts and operations under the contracts must be such that all customers are treated fairly and equitably while at the same time the maximum revenue obtainable under the contracts is returned to the Government. Third, I feel that rates must be set at levels which will return to the Federal Government all investment and expenses properly chargeable to power development and that this matter must be the subject of constant check to reflect any changing conditions to assure this repayment.

It is my understanding that long-term arrangements for the sale of power from 10 of the projects, the Dale Hollow, Center Hill, Wolf Creek, Kerr, Allatoona, Buford, Clark Hill, Jim Woodruff, Old Hickory, and Cheatham projects are presently in effect, and must be administered by the agency. It is further my understanding that long-term marketing arrangements for the Philpott project are nearing completion. I am informed that Southeastern is now selling power under 136 contracts. In my own State of Georgia, there are 39 rural electric cooperatives and 47 municipalities presently served by Southeastern Power Administration. Three of these cooperatives and three of these municipalities are located in the 10th District of Georgia which it is my privilege to represent. These include the headquarters city of the agency, Elberton.

Although the Army Corps of Engineers is responsible for the physical operation of the projects, the marketing agency must nevertheless administer the operating provisions of its contracts and concern itself with the scheduling and dispatch of power under its contracts to the various systems to whom power is delivered at the generating plants. This includes the operation of projects on an integrated basis where possible. Such an integrated operation is now being carried on with respect to the Allatoona, Buford, Clark Hill, and Jim Woodruff projects and will soon be in effect with respect to the Kerr and Philpott projects. It is essential that the agency be adequately staffed to carry out this responsibility in such a way that the water resources available from time to time are made use of in a manner that is fair to all purchasers but at the same time returns the maximum revenue to the Government.

It is also essential that the agency be adequately staffed to make rate and economic studies on each of the projects to assure repayment of power costs and that these studies be periodically reviewed to reflect changing conditions and the actual expenses incurred and revenues collected.

I have been well acquainted with the operations of the Southeastern Power Administration since its inception. It is my considered opinion that appropriation of the amount requested in the President's budget for 1961 is the very minimum required if the agency is to properly carry out its functions and responsibilities.

TUESDAY, APRIL 12, 1960.

WARRIOR-TOMBIGBEE WATERWAY, ALA.

WITNESSES

HON. JOHN PATTERSON, GOVERNOR OF THE STATE OF ALABAMA
HON. JOHN SPARKMAN, U.S. SENATOR FROM THE STATE OF ALABAMA
HON. ARMISTEAD SELDEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. FRANK W. BOYKIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. CARL ELLIOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. GEORGE W. ANDREWS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. KENNETH A. ROBERTS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
HON. GEORGE HUDDLESTON, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA
JACK W. WARNER, PRESIDENT, WARRIOR-TOMBIGBEE DEVELOPMENT ASSOCIATION

Mr. CANNON. We are delighted to have with us at this time Congressman Selden of Alabama. Off the record.

(Discussion off the record.)

Mr. CANNON. Back on the record, Congressman Selden, we shall be glad to hear from you.

Mr. SELDEN. Thank you very much, Mr. Chairman and members of the committee, for giving me this opportunity to appear here this afternoon. I appreciate the courtesy and attention always afforded those appearing before your committee. I realize that our time is limited and we shall certainly attempt to stay well within the time allotted. I want to add that I am most grateful for the sympathetic consideration that this subcommittee and your full committee have given to our projects in years past.

Together with Senators Lister Hill and John Sparkman and my Alabama colleagues in the House of Representatives, I am appearing today to urge approval of adequate funds to continue in an orderly fashion the improvement of Alabama's Warrior-Tombigbee Waterway during fiscal year 1961.

If appropriated, the budget recommendation of $4,409,000 for the new Jackson lock and dam now under construction on the Warrior-Tombigbee's lower reaches will be sufficient to complete the new structure by the middle of 1961. As you know, the Jackson installation is designed to eliminate three antiquated navigation facilities and is a vital step in the overall improvement of the river system. I therefore urge your approval of the budget estimate for this important project.

I also strongly urge approval of a budget item of $378,000 for advance planning of the Holt lock and dam which is to be built near Tuscaloosa, Ala., in the congressional district which I have the priv-

ilege of representing. This structure will replace four existing low-lift installations that are obsolete.

The Secretary of the Army, acting under authority granted him by the Rivers and Harbors Act of 1909, authorized construction of the Holt lock and dam in December 1958, too late for it to be considered for the fiscal 1960 budget.

You will recall that we appealed to you last year for approval of a modest sum to enable the Army Engineers to begin preconstruction planning of the Holt project. As a result, the appropriations act as finally passed by the Congress contained $146,250 for that purpose. The $378,000 requested in the 1961 budget will bring the planning and design work to about 75 percent completion.

In addition to the funds budgeted for planning, the Corps of Engineers could economically use, from an engineering viewpoint, approximately $200,000 during the next fiscal year to begin construction of the Holt lock and dam. The construction money, if approved, would be used to prepare a temporary navigation channel and start the first stage cofferdam. I understand this work could be undertaken during the next year pending completion of the final plans. In view of the critical need for the structure and since Jackson lock and dam—the only Federal project now being built on the waterway—will require no construction appropriations after fiscal 1961, I respectfully ask that the committee include the sum of $200,000 to be used as initial construction funds for the Holt lock and dam.

The four locks and dams which the Holt structure will eliminate impose a serious restriction on the efficient use of the waterway, and they must be replaced if the full benefits of the modern Federal navigation projects located downstream are to be realized.

Economic justification of Holt lock and dam was clearly shown in the engineers' authorization report. A careful and conservative estimate of benefits showed them to exceed costs at a ratio of 1.08 to 1 on the basis of navigation benefits alone.

When the project's potential power benefits are considered, the benefit-to-cost ratio becomes an even more favorable 1.28 to 1. The Alabama Power Co. has filed an application for a Federal license to build the generating facilities, and it is cooperating closely with the Corps of Engineers in the development of overall plans for the project.

The Holt lock and dam is the final major link in the immediate program to replace outmoded navigation structures on the Warrior-Tombigbee Waterway, and I hope very much that the committee will approve $200,000 in construction funds in addition to the budget request for $378,000 for planning.

Mr. Chairman, this concludes my statement, but there are a number of other witnesses appearing with me this afternoon whom I would like to introduce to you at this time, if I may.

Mr. CANNON. You may proceed.

STATEMENT OF MR. JACK W. WARNER

Mr. SELDEN. First, I would like to present the president of the Warrior-Tombigbee Development Association, Mr. Jack W. Warner, who will make a few remarks and then make available for the record a prepared statement.

Mr. CANNON. Mr. Warner, we shall be glad to hear you.

Mr. WARNER. Thank you, Mr. Chairman.

Gentlemen, you have just heard our great and young Governor, John Patterson, talk about starting a project on one river, and I think now that he going to talk in our behalf on closing a project on another river. I refer, of course, to the Holt lock and dam, which is the last major link in the immediate program to replace outmoded navigation structures on the Warrior-Tombigbee Waterway.

Our association is deeply grateful to this committee for the careful consideration it has given our requests in the past, and most especially do we thank you for approving $146,250 last year to permit the Corps of Engineers to begin preconstruction planning on Holt lock and dam.

We appear here today to ask your approval of an item in the 1961 budget recommending $4,409,000 to complete the Jackson lock and dam on the lower reaches of the Warrior-Tombigbee Waterway, and $378,000 to continue advanced planning on the Holt structure which is to be built along the upper waterway near Tuscaloosa.

In addition, we also respectfully ask that you consider seriously the approval of $200,000 which is not in the budget for initiation of construction of the Holt lock and dam. We understand that the Corps of Engineers can economically use that amount for construction in addition to the budgeted planning funds.

Our association has prepared a written statement, presenting our requests in greater detail, and I ask that it be accepted for the record.

Mr. CANNON. Your statement will be made a part of the record at this point.

(The statement referred to follows:)

I am Jack W. Warner, president of the Warrior-Tombigbee Development Association. The association, with offices in Birmingham, Ala., is a privately supported, nonprofit, nonpartisan membership organization whose sole objective is the improvement of the Black Warrior, Warrior, and Tombigee Waterway and the Mobile ship channel for navigation and allied purposes. Represented by the association are individuals from throughout the river valley as well as many companies.

We appear before you specifically to urge approval of the following items contained in President Eisenhower's budget for fiscal 1961:

(1) $4,409,000 in construction money for Jackson lock and dam.

(2) $378,000 in planning money for Holt lock and dam; and,

(3) $1,194,000 in operating and maintenance money for the Black Warrior, Warrior, and Tombigbee Waterway.

We also urgently and respectfully ask that you give favorable consideration to one unbudgeted item: $200,000 in initial construction money for Holt lock and dam.

The item in the budget for Jackson lock and dam will enable the Army's Corps of Engineers to complete the $21 million navigation project by the summer of 1961. The new lock is scheduled to go into operation next September.

Jackson lock and dam is being built approximately 120 miles north of Mobile. It will improve 100 miles of the channel by replacing three antiquated, low-lift locks and dams which were constructed between 1909 and 1915 to serve small packet vessels.

The Corps of Engineers estimates that the new structure will reduce by almost 27 hours the round trip traveling time of an average tow of eight 500-ton barges. This substantial saving will result from reduced locking time, increased towing speeds, prevention of traffic congestion and elimination of delays caused by unfavorable river stages, shoaling, groundings in shallow water and mechanical failures at the old locks.

We earnestly ask that the budget recommendation for Jackson lock and dam be accepted in full so that construction can remain on the present schedule.

When the Jackson project is completed, the Warrior-Tombigbee will be canalized by three modern navigation structures between Mobile and Tuscaloosa, a distance of about 350 miles. The other new projects are the Demopolis lock and dam dedicated in 1955 and the Warrior lock and dam completed 3 years later. Together, these installations replace nine obsolete lock and dams.

Above Tuscaloosa, there still remain four low dams and small locks which must be replaced if optimum benefits are to be derived from the waterway. To remove the serious bottleneck caused to navigation by the existing structures—locks and dams 13, 14, 15, and 16—the Secretary of the Army, acting under the River and Harbor Act of 1909, authorized construction of Holt lock and dam. Preconstruction planning of the $33 million project was undertaken by the Army Engineers following an appropriation of $146,250 for that purpose last year.

The $378,000 recommended by the 1961 budget is essential to insure an orderly continuation of the planning and design work for the highly complex navigation and power project, and we strongly urge approval of the full amount.

In addition to these budgeted planning funds, the Corps of Engineers has advised in reply to our inquiries that from an engineering standpoint it could economically use $200,000—which is not in the budget—to initiate construction of Holt lock and dam. These funds, if approved, would be used to excavate a temporary channel for navigation and to begin the first stage cofferdam. This work could be started pending completion of the final engineering plan.

Holt lock and dam constitutes the last all-new structure necessary along the main stem of the Warrior-Tombigbee. Except for bringing the John Hollis Bankhead and William Bacon Oliver locks and dams up to modern dimensions by installing larger lock chambers, construction of the Holt facility will essentially complete the immediate improvement program of the barge channel.

The Holt project will be located 2,800 feet downstream from existing lock 13 and 8.8 miles upstream from the Oliver lock and dam at Tuscaloosa. Its principal features will consist of a 758-foot long spillway controlled by 15 tainter gates and a 600-by-110-foot lock with a maximum lift of 63.6 feet. The reservoir will extend 18.7 miles to the Bankhead lock and dam, uppermost navigation structure on the waterway. Plans for the Holt facility also include provision for the addition of a powerplant with a generating capacity of about 40,000 kilowatts.

Three of the existing locks and dams to be replaced already have served a useful life of at least 50 years, and the fourth will have served a similar period by the time the new project is placed in operation.

Primary benefit to be offered by Holt lock and dam will be savings in locking time. Large tows of 7 to 11 500-ton barges, which move much of the commerce transported over the Warrior-Tombigbee, spend from 12 to 18 hours per voyage in locking through the present four projects. In the case of the newer barges, which range up to 2,500 tons capacity, time consuming double lockages are necessary when only two barges are in tow.

The Holt lock will reduce locking time for all size tows to 1 hour per round trip.

Also made possible by the new facility will be additional economies resulting from higher towing speeds in the longer, deeper and wider pool, and the elimination of delays caused at the present structures by traffic congestion, highwater closures, dangerous currents, limited approach conditions and mechanical breakdowns.

The Corps of Engineers estimates that Holt lock and dam, by overcoming these and other problems, will save an average size tow of eight 500-ton barges 21 hours per round trip. Savings for a tow of two 1,600-ton barges were calculated at 14 hours.

The urgency for starting Holt lock and dam during the coming fiscal year is clearly indicated by existing and prospective traffic. In 1958, last year for which official figures have been published, the reach to be improved by the project carried 3,258,440 tons of commerce, or 58 percent of the waterway's record total of 5,666,203 tons. Ten years ago, traffic moving north of Tuscaloosa amounted to only 833,493 tons, or 38 percent of the total.

In its studies of the economic justification of Holt lock and dam, the Corps of Engineers made limited and highly conservative projections of future com-

merce. Following extensive interviews with manufacturers, shippers and towing vessel operators, the corps predicted that movements north of Tuscaloosa would reach 8,200,000 tons.

Of the commodities studied, gasoline, lubricating and diesel oils, sugar, and coal tar products were projected to 1990, assumed midpoint of the new structure's life. These movements accounted for but 548,000 tons of the total expected traffic of 8,200,000. All other commodities, totaling 7,662,000 tons, were projected only to 1965 because the firm plans of industries did not go much beyond that date at the time the Engineer studies were made. Had all commodities been projected to 1990, the total expected traffic for the reach to be improved would have been 17,600,000 tons.

Even on the basis of the corps' limited and easily substantiated projection, the benefit to cost ratio is $1.08 to $1 for navigation alone. With the additional benefits of power, the ratio becomes $1.28 to $1.

While there is no Federal authorization for construction of the generating plant, the Secretary of the Army has authorized the inclusion of preliminary power features under authority of the River and Harbor Act of 1912. The Alabama Power Co., after making preliminary studies, filed last November for a Federal license to construct the powerplant and is closely coordinating its plans with those of the Corps of Engineers. (The company already has under construction one of three headwater storage dams recommended by the Army Engineers and holds a license to install generating facilities in the Bankhead Dam.)

Holt lock and dam is fully justified economically and is needed now. We respectfully ask that the committee approve the full amount of $378,000 included in the budget for planning, and add an additional sum of $200,000 in construction money in order that work on this essential project can commence during the next fiscal year.

In conclusion, I commend to your attention the budget's recommendation of $1,194,000 in operating and maintenance funds for the Warrior-Tombigbee Waterway. This amount is considered an absolute minimum. We also urge appropriation of sufficient funds to permit complete restoration of project dimensions of 36 feet by 400 feet in the Mobile ship channel. Recent cross sections furnished the Mobile Bar Pilots Association by the Corps of Engineers indicate that, except for the center of the channel, shoaling exists almost for its entire length.

We appreciate the opportunity of appearing before you.

Mr. CANNON. Thank you, Mr. Warner.

Mr. Selden, you may proceed.

STATEMENT OF GOVERNOR JOHN PATTERSON OF ALABAMA

Mr. SELDEN. Mr. Chairman, our next witness has already been introduced to you, but it gives me great pleasure in presenting again our able, young Governor, who is a close friend and former schoolmate of mine, Governor John Patterson.

Mr. CANNON. Governor, we shall be glad to hear from you.

Governor PATTERSON. Mr. Chairman and members of the committee, this is a splendid waterway, and as the committee knows, this Warrior-Tombigbee is navigable from the fine port of Mobile up to Birmingham, Ala. The traffic on this river is increasing tremendously every year and, in fact, at this time we are in the process of constructing a State dock installation on the upper reaches of this river. Business is booming along the river and there is certainly a vital need to modernize some of the facilities, which these requested appropriations will do.

I would like to say that last year in Alabama we had approximately $100 million of new capital investment in new industry coming into the State. We are experiencing somewhat of an industrial boom in Alabama and we are getting new business and industry every year.

I think it is interesting to note that almost one-half of the new capital outlay for new industry last year in the State went into the 16

counties comprising the counties lying along the Warrior-Tombigbee system. New factories are springing up all along the river and, of course, this increases the travel along the river and makes it necessary that the river system be modernized. Some of these locks and installations along the river are in need of taking out and these projects will, of course, eliminate some of these small lifts which will shorten the distance from Mobile up the river to the other ports and will lower the cost of water transportation.

I am certainly interested in this project and the State of Alabama is interested in it. It is one of the finest projects of its kind, I think, anywhere in the country. We are experiencing a tremendous growth in population in the area and I think that is one reason why these requests are fully justified. I, therefore, respectfully ask the committee to consider favorably these appropriations.

At this point in the record, Mr. Chairman, I would like to submit my prepared statement.

Mr. CANNON. Governor, your statement will be made a part of the record at this point.

(The statement referred to follows:)

Gentlemen, my name is John Patterson, and I am Governor of Alabama. I am delighted to appear before you today in support of appropriations to improve the Warrior-Tombigbee Waterway. All of us in Alabama are proud of this water route linking Birmingham, Tuscaloosa, and Mobile, and we want to see it grow. We know that when a waterway develops, so does the region it serves.

I am privileged to appear before your subcommittee, Mr. Chairman, and I want to thank you for permitting me to do so. I am here today to speak to recommend further improvements on the Warrior-Tombigbee River system. Its tonnage is increasing rapidly, and its lock and dam system is in need of modernization. It certainly appears to me that the improvements are in order and fully justified in view of the steady increase in river traffic and growth of industry in the area it serves.

Just over $100 million was spent in Alabama last year for new and expanded industries, and almost one-half on the total outlay went to the 16 counties comprising the Warrior-Tombigbee River Basin. In these 16 counties are 40 percent of Alabama's manufacturing establishments, nearly 44 percent of its industrial workers and more than 50 percent of its industrial payrolls. And in 1959, a total of $43 million was channeled into these 16 counties for industrial development.

Since 1955, capital investments in the Warrior-Tombigbee valley total approximately $325 million. Certainly this is impressive, but more important to me as Governor is the fact that this economic growth provided thousands of new jobs. So we have gained—as a result, in part, of the Warrior-Tombigbee Waterway—new industry, new capital, and new citizens. All three are prerequisites for growth of any State's economy.

We are already reaping a handsome dividend on our investment in the Warrior-Tombigbee, and I urge the subcommittee to give favorable consideration to the appropriations which have been requested for this waterway.

It serves a large segment of our State, and our citizens are already sharing the benefits afforded by this splendid waterway. Our citizens are interested in its improvement and modernization, and the State of Alabama is in full accord with the recommendations of the Warrior-Tombigbee Development Association. I wish to commend Mr. Jack W. Warner, president of the association, for the leadership and direction he has given in the interest of the waterway.

In his statement to the subcommittee, Mr. Warner will explain the statistical and monetary consequences of the current requests. I would like to point out, however, that the main items are in the President's budget for fiscal year 1961. My purpose here this afternoon is to assure you that my State is vitally interested in the Warrior-Tombigbee being improved further as soon as possible.

The return on these investments, Mr. Chairman, will be growth in population,

in industry, and in economy. This growth will be reflected not only in Alabama but throughout the Southeast.

The requested projects on the Warrior-Tombigbee Waterway are important to our economic growth, and it is my sincere desire that the subcommittee approve the appropriation requests now before you. Thank you for the privilege of letting me make this statement.

Governor PATTERSON. Thank you very much.

Mr. CANNON. Thank you, Governor Patterson.

STATEMENT OF SENATOR JOHN SPARKMAN OF ALABAMA

Mr. SELDEN. Mr. Chairman, I would like to present again to the committee our distinguished junior Senator, Senator Sparkman, who would like to speak in behalf of this project.

Mr. CANNON. Senator Sparkman, we shall be glad to hear from you.

Senator SPARKMAN. Mr. Chairman, I shall be very brief. I want to comment on this in order to illustrate the passing of time. Congressman Selden said that the Governor was his classmate. The Governor's father was my classmate and close friend.

However, gentlemen, I am delighted to be here and am delighted to follow him.

Mr. Chairman, as has been said, this is a continuation of a project which was started back before the turn of the century, in 1895 to 1905, and some 10 years ago or so we started a program of modernizing that system and through the appropriations which have been made available that modernization has come right on up the river until now it has reached the final stage, and that is represented by the Holt lock and dam.

We hope that you will make it possible for work to get started on that which, when completed, will effectuate the modernization of the Warrior-Tombigbee River leading right up to Birmingham or, rather to the port a few miles away which serves the great industrial area of Birmingham.

We earnestly ask your favorable consideration.

I will present my prepared statement for the record.

Mr. CANNON. That will be made a part of the record at this point, Senator.

(The statement referred to follows:)

JACKSON LOCK AND DAM AND HOLT LOCK AND DAM DEVELOPMENT

Mr. Chairman, Mr. Jack Warner, president of the Warrior-Tombigbee Development Association, is here to give the testimony relating to the specific details of this project. Mr. Warner and the other members of the Warrior-Tombigbee Development Association deserve high praise for the service they have performed over the years to encourage full development of the Warrior-Tombigbee Waterway. I know the subcommittee, through the association's testimony, will get a comprehensive picture of the value and the genuine need for continuing construction of Jackson lock and dam and for getting on with further preconstruction planning of the authorized Holt lock and dam. Accordingly, I am going to leave that area of testimony to the association.

However, I do want to emphasize that the budgeted figures of $4,409,000 for completing construction of Jackson lock and dam during fiscal 1961 and for $378,000 to continue Holt lock and dam planning are necessary for the orderly development of the Warrior-Tombigbee system.

I am most pleased that through the efforts of the Warrior-Tombigbee Development Association and its friends in Alabama, and through the efforts of Congress

the Warrior-Tombigbee Waterway is fast becoming a model of the good things that result from proper waterway development.

I wonder, however, if we are moving fast enough. I understand that sufficient planning has been done on the Holt lock and dam project to warrant beginning on construction. Accordingly, the Warrior-Tombigbee Development Association is asking $200,000, which is not budgeted, in order that construction may begin.

If it is time to begin construction, I see no reason why it should not begin, especially in view of the fact that the association understands that the Corps of Engineers can economically use that amount.

I most respectfully submit that this request by the association is a reasonable one and that I strongly support this request.

Mr. Chairman, I appreciate this opportunity to come before you and testify in behalf of further development of one of Alabama's many fine waterway systems.

Mr. CANNON. Thank you, Senator.

Senator SPARKMAN. Thank you, Mr. Chairman and gentlemen.

Mr. CANNON. Congressman Selden, you may proceed.

Mr. SELDEN. Mr. Chairman, the dam under construction at the present time on this river system is located in the congressional district of the dean of our delegation, Congressman Boykin, and I would like to call on him for a statement.

Mr. CANNON. We shall be glad to hear from the dean of the Alabama delegation, Mr. Boykin.

STATEMENT OF REPRESENTATIVE FRANK W. BOYKIN OF ALABAMA

Mr. BOYKIN. Mr. Chairman, I have a statement which I would like to submit for the record in behalf of this project.

Mr. CANNON. The statement will be made a part of the record.

(The statement referred to follows:)

Mr. Chairman, we have a fine group of citizens from Alabama here in behalf of some of our waterway projects, including Hon. Jack Warner, president of the Warrior-Tombigbee Development Association, who will speak to you in behalf of several appropriation items now being considered by your subcommittee.

Included among these items is one amounting to $4,409,000 in construction money for the Jackson lock and dam on the Tombigbee River near Jackson, Ala., which amount I understand will complete this project.

Also included is a budgeted item of $378,000 in planning money for the Holt lock and dam, and an unbudgeted item of $200,000 in initial construction money for the Holt lock and dam.

It is a pleasure for me to be here with this fine group to urge your approval of all of these items.

I want to take this occasion to thank the members of this subcommittee for the splendid help they have given us in the past in approving all the items in connection with the development of this highly important waterway.

Mr. BOYKIN. Mr. Chairman, with the exception of a $200,000 item the money which is requested is in the budget. However, I did want to tell you that I was so glad our wonderful, young Governor could come here and testify before this great committee.

His father was murdered trying to do good, as this young man is trying to do good now. He took his father's place not only as attorney general to which position his father had been elected, but he is now our great Governor. I do not think we will ever have a better one. We came before you a quarter of a century ago right here with another great Governor, Gov. Bibb Graves of Alabama, and I am sure you gentlemen remember him.

Since that time you have given us money with which to help develop these rivers from Jackson lock and dam and other structures

up the river system. Since that time we have had located in this area the largest rayon plant in the world, a rayon plant from England. There was a time when we did not have anything down there and we had to send all of our textile products to Boston to be manufactured and then they would come back with a 1,000 percent profit added on. However, we are making silk from trees which used to be thrown away when you and I were boys, Mr. Chairman.

We not only have that plant from England which is located in my area but we have the Stauffer Chemical Co. from Paris, France and the Calabama Co., a very wonderful chemical company, as well as the great Olin Mathieson Co. Gentlemen, we could not have done this if you had not appropriated this money for the development of this river system. They make a tremendous quantity of chlorine every night at McIntosh, Ala., on the Tombigbee River. There were plans at one time to tear up the Southern Railway system in that area, but as a result of these developments they have had to double their trackage from that company up to the great Geigy Chemical Co. Those were the people who improved DDT. They are now building seven new plants for seven different commodities, greater than DDT, and we have needed a little more help.

We started a bargeline from McIntosh, Ala., but we cannot go on up until we have these further developments. I was up there the other day and they had a barge 1,000 feet long which was on its way to New York, Louisiana, and Georgia. They make paper, and Mr. Chairman and gentlemen of this committee, they are making it out of wood which in previous years had been thrown away, wood which comes from that 1 million acres of land about which I told you. They are using hardwood which was felt in times past was not useful for this purpose.

Gentlemen, you are doing fine by us in this, but if you will help us a little further, we will make that country come into its own and you, and you and you and everyone of you will be proud of it, because it will help all mankind.

Mr. CANNON. Thank you, Mr. Boykin.

Mr. SELDEN. Mr. Chairman, this river system also traverses the congressional district represented by Congressman Carl Elliott. Mr. Elliott has a statement.

Mr. CANNON. Congressman Elliott, we would be delighted to have you come up to the table.

STATEMENT OF REPRESENTATIVE CARL ELLIOTT OF ALABAMA

Mr. ELLIOTT. Mr. Chairman, I would like permission to extend my remarks at this point in the record.

Mr. CANNON. They will be included in the record at this point.

(The remarks referred to follow:)

Mr. Chairman Cannon, thank you for this opportunity to again come before you in support of funds for the orderly modernization and development of the Warrior-Tombigbee River system.

For nearly 12 years that I have served in the U.S. House of Representatives, it has been my privilege to work to improve this great river system which is of such importance to my congressional district and to the State of Alabama. You and your committee have patiently heard the facts and exercised your judgment wisely, I believe, in providing funds so that the needed work could be done.

The budget for the coming fiscal year (1961) contains requests for $4,409,000 for construction on the Jackson lock and dam; $378,000 for additional planning on the Holt lock and dam; and $1,194,000 in operating and maintenance money for the Warrior-Tombigbee Waterway.

With the 1961 appropriation, we will see the completion of the $21 million Jackson lock and dam. This will be a major step toward reducing the congestion on the river between Mobile and Tuscaloosa. The improved flow of river traffic will greatly benefit the industries and consumers that depend on water transportation, thus aiding the industrial growth of Alabama.

The increased traffic on the Warrior-Tombigbee emphasizes the necessity of completing the Holt lock and dam as soon as possible. The proposed structure is urgently needed to alleviate the congestion now occurring on the river system north of Tuscaloosa. In 1958, this part of the Warrior-Tombigbee system carried 58 percent of the total traffic on the river. The sooner we can remove the bottleneck the sooner we will be able to make full use of the dollars we have already invested in the modernization of this river system.

The U.S. Corps of Engineers has said that it could economically use $200,000 to begin construction of the Holt lock and dam. I earnestly urge the committee to include this amount. It is not in the budget. However, by including it now we can speed up this greatly needed lock and dam at Holt.

The Holt lock and dam is the remaining all-new structure needed on the main stem of the Warrior-Tombigbee.

It is of particular importance to the people I represent in the Seventh Congressional District of Alabama that the upper reaches of the Warrior River be improved so as to facilitate speedier and more efficient movement of coal.

The Warrior coal field is growing in importance because of its nearness to tidewater. Adequate water transportation will greatly benefit the coal industry, the employees, and in turn the merchants and professional people of northern and western Alabama, and indeed of all Alabama.

The future of Alabama depends to a great degree upon adequate use of its water resources. With electric power, flood control, and navigation designed to meet the needs of the decades ahead, Alabama will expand and continue to make a major contribution to the economy of the Nation.

Mr. CANNON. Thank you, Congressman Elliott.

Mr. SELDEN. Mr. Chairman, this river system also runs to the port of Birmingham, Ala., and that district is represented by the Honorable George Huddleston, who would like to make a few remarks in regard thereto.

Mr. CANNON. Congressman Huddleston, will you please proceed?

STATEMENT OF REPRESENTATIVE GEORGE HUDDLESTON OF ALABAMA

Mr. HUDDLESTON. Thank you, Mr. Chairman.

I will not take the time to sit down, for I certainly do not want to impose upon the committee's time any longer than is necessary.

As has been mentioned, I represent the district in which is located the headwaters of the Warrior-Tombigbee and the city of Birmingham represents a large part of the commerce which travels up and down the Warrior-Tombigbee, which commerce either originates or has its destination in the Birmingham area.

This river, and I think I can say this without fear of contradiction, has, in large part, made Birmingham, and the further development of the river in accordance with the budget request and also in accordance with the request of the fine group of gentlemen who are here this afternoon for the additional money to start construction on the Holt lock and dam, will further add to the economic well-being of our area.

Mr. Chairman, I certainly thank you for letting me make these few remarks.

Mr. CANNON. Thank you, Congressman Huddleston.

Mr. SELDEN. Mr. Chairman, in addition to the gentlemen who have appeared through whose districts this great river system runs, we

have two members of the Alabama delegation who are greatly interested in the development or improvement of the river system of the entire State, Congressman George Andrews, who is a member of your committee, and Congressman George Grant.

Mr. CANNON. We shall be delighted to hear from Congressman Andrews.

STATEMENT OF REPRESENTATIVE ANDREWS OF ALABAMA

Mr. ANDREWS. Mr. Chairman, I would like to file a statement.

Mr. CANNON. The statement will be made a part of the record. Congressman Andrews is a member of this committee and we listen to him always with pleasure and profit.

(The statement referred to follows:)

Mr. Chairman, my State of Alabama has been blessed with an unusual number of natural resources. One of the most important blessings which we have enjoyed for a number of years is a very long river, running almost due north and south through the western portion of our State, connecting with other major waterways in a mass network of liquid highways. The name of that river is the Tombigbee. It joins the Warrior, Black Warrior, Alabama, and empties into the Mobile Bay.

When much of the Warrior-Tombigbee system was equipped with dams and locks shortly after the turn of the century, we had an adequate industrial water route. But now, surveys have revealed that modern navigation requires improvements in the system.

The Warrior-Tombigbee Development Association, represented here today by its president, Mr. Jack W. Warner, is requesting $4,409,000 in construction money for the Jackson lock and dam; $378,000 in planning money for Holt lock and dam and $1,194,000 for the operation and maintenance of the Black Warrior, Warrior and Tombigbee Waterway. One other item not in the budget is $200,000 initial construction money for the Holt lock and dam.

The Holt lock and dam will consist of a 758-foot spillway and a 600-by-110-foot lock with a maximum lift of 63.6 feet. A powerplant will have a generating capacity of about 40,000 kilowatts. Its most advantageous feature will be the savings in locking time that it offers. Most locking operations will be so expedited that the time for a roundtrip through the Warrior-Tombigbee route will be cut approximately 14 to 21 hours.

It is most urgent that the Holt project be finished promptly. The 1958 figures give some indication of what can be expected in river traffic. During that year, the portion of the Holt area that is to be improved carried 3¼ tons of commercial shippage.

The funds which have been requested by this group will not be "handouts." Any money invested by the Federal Government will be repaid many times over. A conservative estimate indicates that the Government will reap benefits of $1.28 for every dollar invested. It is my personal opinion that the returns will far exceed that amount, because industry is moving southward at an ever-increasing rate. Every private enterprise which is established along those waterways will be a steady source of income for the Government treasuries. That, Mr. Chairman, is the simple dollars-and-cents basis that this water development program is being founded upon. Too often, narrowminded persons brand public works projects as "pork barrel" extravagances. I must agree that a lot of rich pork will result from the Warrior-Tombigbee project, but that fat pork will be pouring right into the U.S. Treasury. Pause for a moment and compare this investment with some of the others being made by the United States. What other appropriation could give such a tidy return to its investors?

STATEMENT OF REPRESENTATIVE GEORGE GRANT OF ALABAMA

Mr. Chairman, I should like to associate myself with this fine delegation in support of adequate funds for Warrior-Tombigbee Waterway projects in the 1961 budget.

Since the testimony of Mr. Jack W. Warner, president of the Warrior-Tombigbee Development Association, contains the "whys and wherefores" for the requested appropriations, I shall not go into detail but would like to add my plea to that of the other members of Alabama's congressional delegation in an effort to impress upon you the extreme importance of allowing the Chief of Engineers the funds necessary for these specified projects.

The varied benefits afforded by the work already accomplished on this waterway is more than adequate evidence in itself of the economic justification of the funds requested by the Warrior-Tombigbee Development Association for fiscal 1961. I trust that you, Mr. Chairman, and the members of your subcommittee will see fit to approve the recommendation of the requested amounts.

Mr. SELDEN. Mr. Chairman, Congressman Roberts of Alabama is also interested in this project.

Mr. CANNON. Congressman Roberts, we shall be glad to hear from you.

STATEMENT OF REPRESENTATIVE KENNETH A. ROBERTS OF ALABAMA

Mr. ROBERTS. Mr. Chairman, I think I have imposed upon the committee enough today. I would simply like to file a statement.

Mr. CANNON. Congressman Roberts, your statement will be made a part of the record at this point.

(The statement referred to follows:)

Mr. Chairman, I appear before you again in the interest of another great waterway in the southeastern United States, the mighty Warrior-Tombigbee.

This distinguished committee always has been cooperative with our past pleas for development of this river system, and we are gratified that the President's 1961 budget includes three items relating to this system.

Along with my colleagues and friends from Alabama, I respectfully urge the approval of these budgeted items.

I also join in asking for the favorable consideration of one other item, and that is the amount of $200,000 in construction money for Holt lock and dam.

The specific reasons for making these requests are being delineated to you by some of the others here today. Briefly, they are to insure the orderly and earliest practical development of one of America's finest natural resources.

Any delays in the needed modernizations on this waterway must be considered costly, because the constantly increasing commerce on the Warrior-Tombigbee demands that navigation facilities be improved in order to carry the present and anticipated traffic.

I sincerely urge the serious consideration by the committee of these requests, and I thank the committee for the opportunity of appearing here.

Mr. CANNON. Mr. Selden, do you have anything further?

Mr. SELDEN. Mr. Chairman, we are deeply grateful to you for giving us this time, and I would like to ask permission that those Members who were unable to be here may file a statement.

Mr. CANNON. That will be permitted.

(The statement referred to follows:)

STATEMENT BY SENATOR LISTER HILL IN SUPPORT OF APPROPRIATION FOR WARRIOR-TOMBIGBEE DEVELOPMENT PROGRAM

Mr. Chairman and members of the House Public Works Subcommittee, it is a pleasure for me to join with Mr. Jack Warner, president of the Warrior-Tombigbee Development Association, and with Congressman Selden and other members of the Alabama congressional delegation to urge approval of funds necessary for the continued and orderly improvement of this great Alabama waterway system.

I will not presume upon the valuable time of the subcommittee with a lengthy statement. Other witnesses here today representing the Warrior-Tombigbee Association will provide detailed facts and figures to support the fund requests.

I do want to take this opportunity to say just a word about the dedicated work that the individuals and the companies represented in the association are doing in behalf of waterway development. It has been my privilege to have worked closely with the members of this association through the years, and I know their ability, their energy, their foresight, and their complete devotion to the cause of developing the Warrior-Tombigbee system to the benefit of our State and to the further progress and strength of our Nation. Most of the funds needed to continue the Warrior-Tombigbee program this year are included in the President's budget recommendations. I respectfully urge that these funds be retained in the budget.

In addition, the Army Corps of Engineers tells us that preconstruction planning and design work on Holt lock and dam north of Tuscaloosa is advanced to the point where $200,000 can profitably be used to initiate construction work during the coming fiscal year. While this amount is not in the budget, I respectfully submit that the Holt lock and dam is the last all-new structure needed to complete the system of locks and dams along the main stem of the Warrior-Tombigbee. This fact, in itself, bespeaks the desirability of exerting all reasonable speed in completing the Holt project. I, therefore, request and urge that this subcommittee approve $200,000 in construction funds for Holt lock and dam in addition to Warrior-Tombigbee appropriation requests already in the President's suggested budget.

Mr. FENTON. Mr. Chairman, I do not want this fine delegation to go out without my saying a word in behalf of one of their projects down there, and that is the development of the Chattahoochee River. During the last recess I had the privilege of going down that river and seeing that the fine dam which is going to be named after our colleague, Mr. Andrews, and also the Walter F. George project. I think it is a great development.

Mr. ANDREWS. Mr. Chairman, I shall never cease to be grateful to the committee for making the recommendation last year that that dam be named for me. However, the Secretary of the Department of the Army said he was not naming new dams for any living Congressman, and I told him I was not ready for him to name it for me. [Laughter.]

TUESDAY, APRIL 12, 1960.

SURVEY OF SATILLA RIVER BASIN

WITNESS

HON. IRIS BLITCH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. CANNON. We shall now be delighted to hear from Congresswoman Iris Blitch of Georgia.

Mrs. Blitch, I believe you are interested in a survey of the Satilla River Basin?

Mrs. BLITCH. That is right, sir, Mr. Chairman.

Mr. CANNON. We would be glad to hear you at this time.

Mrs. BLITCH. I want to state to you, Mr. Chairman, that I come alone, but that does not deemphasize the importance of the request which I am making to the committee.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mrs. BLITCH. The people at home said that in their considered judgment it would be wise to just let me come on in by myself, and I do hope, Mr. Chairman, that their judgment has proved correct.

I have a statement to make, Mr. Chairman, but before I do, I would like to call your attention to some resolutions that I have here which I would like to be included in the record following my remarks.

For the committee's attention, in this booklet I have the area drawn out which this basin represents.

Mr. CANNON. We shall be glad to have that provided for the committee.

Mrs. BLITCH. Back of that I have a number of photographs which, if the committee has the time and is so inclined, if you look at them I think you will see the need for this project.

Mr. CANNON. That will be placed in the custody of the committee and we will all have advantage of it.

Mrs. BLITCH. Thank you very much, Mr. Chairman and members of the committee.

I appreciate your kindness in permitting me to appear before you to ask your favorable consideration of an appropriation for one of the most important studies for flood control, major drainage, and related water resources development on the Satilla, St. Marys, and Suwannee Rivers. As a member of the House Public Works Committee I have spent considerable time in studying water resource development throughout the country and I can truthfully say that the problem on these streams is one of the most serious that has come to my attention. This, I believe, can be proved by the fact that it is included as a part of one area of which there are only two in the country for which special U.S. Study Commissions have been authorized. The Study Commission in this case is for southeastern streams. The work of the Study Commission, of course, will take a relatively long period of time and will go into extensive investigations of all of the stream basins in the southeastern United States, of which the three to which I have referred are only a part. The Corps of Engineers has been authorized to make a separate report on these three basins, which they could easily accomplish in 2 years if given the proper amount of funds. The problems in these basins should be dealt with immediately because of their extreme urgency.

The cost of the study is estimated at $100,000, and I am requesting that funds be included in the amount of $50,000 in the Public Works appropriations bill for the fiscal year 1961 to finance the study. I feel that there is every justification in making this request because this study was authorized by the Congress in the Flood Control Act of 1950, 10 long years ago, and except for a few hundred dollars there have been no funds appropriated by the Congress or allocated by the Engineers to carry on the investigation. If we can secure $50,000 for the next fiscal year an another $50,000 for the following fiscal year, our problems will be solved.

I have discussed many times this problem with General Itschner, the Chief of Engineers, the district engineer at Savannah, with the officials of the U.S. Study Commission, and with many public and private organizations. I have also attended, over a long period of time, meetings called for the specific purpose of discussing the problems of these three streams. I can truthfully say I have never seen such a unanimity of opinion among all concerned—Federal, State, and local interests—in the urgency of the problem and the pressing need for its early solution. The problem is simply beyond our capacity as

laymen and we must call upon some experienced agency like the Corps of Engineers, the U.S. Soil Conservation Service, or the Southeastern Study Commission. It involves pollution of these streams, sedimentation of the channels, flooding of our lowlands, the tremendously increased need for domestic and municipal water, and many other factors involved in water resource development. We feel that we must have help and we must have it immediately, and we cannot wait for the necessarily long and complicated investigation of the U.S. Study Commission.

I wish to thank you again for the opportunity of appearing and to urge as strongly as I possibly can that you earmark $50,000 in the pending appropriation bill for the Satilla, St. Marys, and Suwannee Rivers.

Thank you, Mr. Chairman.

Mr. CANNON. Thank you, Mrs. Blitch.

(Further information submitted by Mrs. Blitch follows:)

WAYCROSS, GA., *February 2, 1960.*

Hon. IRIS FAIRCLOTH BLITCH,
Congresswoman, U.S. Congress,
Washington, D.C.

DEAR MRS. BLITCH: We are hereto presenting through you a formal request to the Federal Government for $50,000 for allocation to the Corps of Engineers for a survey of the Satilla River and its basin.

The above amount was suggested by Col. R. C. Bahr when he was Chief of the Savannah district office.

Information at hand indicates authorization for this project was included in the Flood Controls Act of 1950. The act covered the following:

1. Satilla River in Georgia.
2. St. Marys River in Georgia and Florida.
3. Suwannee River in Georgia and Florida.

The act provides for flood control, navigation, and other beneficial uses.

This request for funds for engineering and investigation is in behalf of item 1, the Satilla River in Georgia.

Time and the march of civilization has greatly impaired the usefulness of the Satilla River and its tributaries and we who live in the Satilla River Basin are of the opinion that an engineering study of the Satilla would provide the necessary guide for multipurpose use rather than its present single purpose, i.e., carrying storm water from one area and flooding another and then subsiding to hardly more than a brook.

We wish to request that the engineering, investigations, report, and recommendations will consider the conservation, utilization, and development of the land and water resources of the Satilla River Basin in the interest of—

1. Flood control and prevention.
2. Domestic and municipal water supply.
3. Improvement and safeguarding of navigation.
4. Reclamation and irrigation of land, including drainage.
5. Reevaluate hydroelectric power and industrial development and utilization.
6. Soil conservation and utilization.
7. Forest conservation and utilization.
8. Preservation, protection, and enhancement of fish and wildlife resources.
9. Development of recreation.
10. Salinity and sediment control.
11. Pollution abatement.
12. Other beneficial and useful purposes.

At public meetings within the Satilla River Basin, there has been an overwhelming desire that the engineering survey be started at the earliest practical date.

Supplied with this letter is an index of information that we as laymen feel pertinent to this request.

We have also forwarded Senator Russell a formal request for his assistance in procuring the necessary funds for this project.

We of the Eighth Congressional District are fully aware that you are cognizant of the existing conditions within the Satilla River Basin and we feel assured that you will do everything within your power to make this project possible.

Kindest personal regards.

Sincerely,

ERIN W. JOHNSON,
Chairman, Satilla River Basin Development Project.

INDEX OF PERTINENT INFORMATION RELATIVE TO SATILLA RIVER AND BASIN

1. Counties of which areas are in whole or in part within the Satilla River Basin, including land use acreage.
2. Geologic map of Georgia, roughly indicating the Satilla River Basin and its relativity to the State as a whole.
3. Photographs of the Satilla River near Waycross, Ga., showing flood and dry periods. These are current conditions; a normal flow would be considered as abnormal.
4. Approval of Satilla River Basin Study by Lester S. Moody, member of U.S. Study Commission for Georgia.
5. Resolutions endorsing engineering and study of the Satilla River Basin from Ware County grand jury, Pierce County Commission, Blackshear-Pierce County Chamber of Commerce, Waycross Boat Club, Lions Club, Blackshear, Ga., Blackshear Junior Chamber of Commerce, Rotary Club of Blackshear, Okefenokee Cruise Club, Waycross Lions Club, Exchange Club of Waycross, Kiwanis Club of Waycross, and Camden County Board of Commissioners.
6. Petitions requesting engineering and study of the Satilla River Basin.
7. Forestry, a major economic factor in the Satilla River Basin.
8. Agriculture in the Satilla River Basin.

Counties and land area within the Satilla River Basin

County	County area included in basin	Total area (acres)	Total acres, forest area	Total acres, agricultural use
1. Appling	¾	247,200	190,050	57,150
2. Atkinson	¼	50,875	41,900	8,975
3. Bacon	(1)	187,500	130,500	57,000
4. Ben Hill	1/10	16,320	10,400	5,920
5. Brantley	(1)	286,100	262,000	24,100
6. Camden	¾	333,600	232,125	101,475
7. Charlton	1/10	51,140	46,910	4,230
8. Coffee	(1)	392,300	249,700	142,600
9. Clinch	½	42,508	40,750	1,758
10. Glynn	¼	94,400	43,875	50,525
11. Irwin	⅛	79,367	44,333	35,034
12. Jeff Davis	¾	158,850	125,625	33,225
13. Pierce	(1)	218,900	158,200	60,700
14. Ware	½	291,850	252,450	39,400
15. Wayne	⅛	137,800	120,266	17,534
Total		2,588,710	1,949,084	639,626
Percent			75.30	24.70

[1] All.

NOTE.—Figures include only the area within the Satilla River Basin and are approximate only.

TUESDAY, APRIL 12, 1960.

FLORIDA PROJECTS

WITNESS

HON. ROBERT L. F. SIKES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. CANNON. We shall now be glad to hear from Congressman Sikes of Florida. Congressman Sikes is a member of the committee and we are always glad to hear from him.

Mr. SIKES. Thank you, Mr. Chairman. I think I know something about the problems which confront this committee. Yours is probably the toughest job in the country, and I do not want to compound the difficulties of your job.

I welcome this opportunity to discuss with you some of the most significant needs in the field of waterway development in my district in Florida. I am grateful for the considerations which this subcommittee has given to our port, harbor, and channel requirements in the past years and I am pleased to be able to tell you that the investments which the Government has made in this field in my State have in every case proved wise and economical. The Government's investments have been well repaid in benefits to the public and there has been a consistent and highly satisfactory degree of economic development following the completion of the waterway projects under discussion.

ST. MARKS CHANNEL

First, I would call to the committee's attention the need for improved channel and harbor facilities at St. Marks. This is the port of entry for Tallahassee and those areas of Georgia and Florida lying immediately north. The traffic of this port has been growing significantly in recent years, particularly in the field of petroleum products and construction products. The present port facilities are hopelessly inadequate and this is well attested to by the report of the U.S. Engineers filed with the Congress last year, recommending improved channel and harbor facilities. Fully loaded barges and other craft can use the channel and harbor only at high tide. This results in uneconomical operations for boat and barge owners. This situation also has serious safety hazards. The Engineers' recommendations have been translated into new authorization language which is contained in the current public works authorization bill. The present channel specifications are 10 feet deep and 100 feet wide. The recommended specifications are 12 feet in depth and 125 feet in width. Anticipated cost of the improvement is $1,700,000. It is very important that we begin work on this project as quickly as possible. The Engineers have estimated that $300,000 could economically be expended in the fiscal year 1961. Therefore, I request that the amount of $300,000 be approved for this purpose.

RESURVEY OF EAST PASS CHANNEL

I would next call to the attention of the committee the need for reexamination of the project at East Pass which connects the Intracoastal Waterway at Choctawhatchee Bay with the Gulf of Mexico at Fort Walton Beach and Destin. The reexamination has been authorized by the respective Public Works Committees of Congress. The present channel has proved a costly and difficult one to maintain. There is a constant problem of shoaling which results in the channel being closed much of the time. As a result the channel is inadequate for local requirements. This results in a loss of revenue to operators of commercial fishing craft and to pleasure boat operators. The yearly maintenance is approximately $30,000. This channel is maintained at a depth of 12 feet and a width of 180 feet. In

addition to thriving sports and commercial fishing businesses and use of the channel by great numbers of pleasure craft, it is necessary that it be kept in usable condition because of Eglin Air Force Base testing activities over the Gulf of Mexico. Frequently, crash boats are called upon to use the channel to rescue Eglin personnel in the gulf on test missions and there have been many occasions when these crash boats and other craft found it exceedingly difficult or even impossible to negotiate the channel. It is estimated by the Engineers that a new channel relocation within the pass may be desirable and it appears certain that jettying will result in a more stable channel and will materially reduce the cost of maintenance of the channel. The cost of the examination is estimated by the Engineers to be $50,000. I sincerely hope the committee will approve this request for $50,000 for the purpose of examination of the East Pass Channel project. In support of my request for funds for a resurvey of the East Pass Channel I submit herewith a letter from Maj. Gen. Joe W. Kelly, commander, Air Proving Ground Command, Eglin Air Force Base, Fla. This letter attests to the necessity for an improvement in the present channel.

CHANNEL STUDY, PANACEA-APALACHEE BAY

At Panacea in Wakulla County in my district there is a rapidly growing commercial and sports fishing industry. In the entire area of Panacea and Apalachee Bay there are dozens of communities, some old and some new, where a great many pleasure craft are maintained. All of the boats from this area must navigate Apalachee Bay in order to reach the waters of the Gulf of Mexico. There is no channel project, but one is very definitely and badly needed. The Congress has authorized a hearing and survey, but funds have not been available for this purpose. The volume of shipping in this area has grown so very fast in recent years that I feel we should by all means conduct the necessary survey in order to determine the justification for the channel from Panacea through Apalachee Bay to the Gulf of Mexico. Present boat passage is hazardous and difficult and often impossible. The amount of money required for the hearing and survey is $15,000. I sincerely hope the committee will approve this amount for the project.

WATERWAY SURVEY, ST. MARKS TO ANCLOTE RIVER

The only major untouched link on the Gulf-Atlantic Intracoastal Waterway is that part of the Gulf Intracoastal Waterway from St. Marks to the Anclote River, Fla. A number of years ago a survey was conducted on this link of the waterway, but sufficient economic justification to warrant the dredging of a channel was not found. It has frequently been said that conditions which prevailed at the time this survey was conducted were not conducive toward showing the complete story. It is felt that a new survey which takes into account present conditions on shipping in the area will show a much different story and provide justification for the project. The Engineers have estimated that $100,000 will be required for this project. I recommend and request that this amount of money be appropriated for a resurvey.

OTHER SURVEYS

In addition to these projects, Mr. Chairman, there are a number of survey items which are pending. Some of them have been awaiting surveys for a number of years. All of these have important bearing on the local economy in their respective areas. Therefore, I will be grateful if the committee will approve funds in the amount shown for the projects which I list below for hearings and surveys:

Boat basins at Blountstown and Bristol, Fla	$10,000
Joe's Bayou at Choctawhatchee Bay	5,000
Lynn Haven Bayou at Panama City	5,000
Mulat Bayou to Escambia Bay	5,000
Gulf Intracoastal to Sabine Bay	5,000
New survey for channel across Santa Rosa Island near Deer Point Light	5,000
Black Creek, a tributary of Apalachicola River, in Liberty County, Fla	5,000
Resurvey of the Escambia River, Fla., and its tributaries in Alabama	5,000

Thank you, gentlemen, for your consideration of this request.

Mr. CANNON. Thank you, Congressman Sikes.

(A letter submitted by Mr. Sikes follows:)

HEADQUARTERS, AIR PROVING GROUND CENTER,
OFFICE OF THE COMMANDER,
AIR RESEARCH AND DEVELOPMENT COMMAND,
U.S. AIR FORCE,
Eglin Air Force Base, Fla., March 22, 1960.

Subject: East Pass Channel.

Hon. BOB SIKES,
House of Representatives,
Washington, D.C.

DEAR MR. SIKES: 1. In reply to your letter dated March 17, 1960, regarding a permanent East Pass Channel, I am in a position to state that the Air Force has a very definite requirement for an open channel to the Gulf of Mexico at all times.

2. Since the mission effort here at Eglin has shifted largely from land ranges to gulf ranges, there is a constant requirement for Air Force boats to have access into the Gulf of Mexico for rescue, range clearance, and missile recovery activities. Due to the increased range and size of objects to be picked up by the Air Force boats it has been necessary to operate Air Force boats up to 85 feet in length which draw 10 feet of water under smooth water conditions.

3. As you know, an appropriation of $30,000 has been made annually in the civil works program for maintenance of the East Pass for a depth of 12 feet and 180 feet width. This amount of money provides for one dredging, which is insufficient to maintain a safe channel the year around. The Corps of Engineers has recently completed a study proposing one of three methods to establish and maintain a permanent all-weather channel through the pass. All three plans reflect a high initial cost and will require additional funds annually for maintenance. It appears that the most economical of these plans would be to dredge the channel 225 feet wide and 20 feet deep at an initial cost of approximately $254,000 and an annual maintenance cost of $256,000. If jetties are constructed, the Corps of Engineers estimate that this will require approximately $2,570,000 initially, but the annual maintenance cost will drop to $76,000.

4. Comparing the two plans, after 20 years the second plan would become cheaper than the first plan.

5. I hope that this information will assist you in obtaining legislation that will provide funds to establish and maintain a permanent East Pass Channel. I feel that the above information in your hands, to be used as you desire, will make it unnecessary to pass this same information to Mr. Cannon.

Sincerely,

JOE W. KELLY,
Major General, USAF, Commander.

WITHLACOOCHEE RIVER VALLEY

WITNESS

HON. A. S. HERLONG, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. CANNON. Congressman Herlong, I believe you wish to be heard on the Withlacoochee River Valley.

Mr. HERLONG. Yes, sir; as a matter of fact the project is a combination of four rivers. Congressman Cramer and several others of us are going to speak on these particular projects as well as Mr. Wakefield, director of the Florida Resources Commission, who is also going to explain this project. I simply want to give you some background information if I may, sir, at this time.

Mr. CANNON. We will be glad to hear you.

Mr. HERLONG. Thank you.

First, Mr. Chairman, with the permission of the committee, I would like to file a prepared statement on this project and other projects that we are working on and, of course, actively supporting. I should like also to file a statement from the chairman of the Board of County Commissioners of Orange County, Fla.

There has been great flood damage in this county and they are doing the best job they can to handle the problem, but they need some help.

Mr. CANNON. The statements will be included in the record at this point.

(The statements referred to follow:)

SURVEY REPORT, GREEN SWAMP, FLA.

Mr. Chairman, gentlemen of the committee, I appear before you today to request that funds be included in the civil functions appropriation bill for fiscal year 1961 in the amount of $100,000 to finance an investigation and report on a high, swampy plateau of central Florida generally known as the Green Swamp, and the four major streams which have their source in this highest natural water reservoir in peninsular Florida.

Green Swamp, a body of surface water standing at elevations ranging from 100 to 140 feet above sea level, furnishes surface water to four rivers, the Peace River to the south, the Hillsborough River to the southwest, the Withlacoochee River to the northwest and the Oklawaha River to the north. Three of these four rivers have improvements constructed by the Federal Government in the interest of navigation, the Hillsborough, the Withlacoochee and the Oklawaha.

The entire area experienced record rainfall during the first 9 months of 1959. For example I quote a press release by the district engineers, Jacksonville, Fla., on September 26, 1959, with reference to the Oklawaha River.

"ARMY ENGINEERS RELEASE FOUR TIMES NORMAL FLOW AT MOSS BLUFF DAM

"Colonel Paul D. Troxler, district engineer for the Army Engineers in Jacksonville, announced today that over the past 6 months of heavy rainfall on Oklawaha River basin that releases at Moss Bluff Dam, near Ocala, have been 400 percent of normal releases for that period.

"Despite the recordbreaking releases from Lake Griffin and the connecting chain of lakes in the upper Oklawaha Basin, those lakes are still at near record high stages. This condition is caused by over 50 inches of rain over the area in the past 6 months, Troxler explained. Since March, Moss Bluff Dam has been operated at maximum outlet capacity of the canals both upstream and

downstream of the dam. This flow has averaged over 1,200 cubic feet a second, for a total release at the dam of 450,000 acre-feet of water. The Engineers pointed out that if this volume of water had been stored over an area the size of Lake Griffin instead of being discharged, that levels in the lake would be 16 feet higher than at present.

"During some periods over the past 6 months the turbines at Moss Bluff Dam have been closed for a few days following heavy rainfall periods to prevent local runoff from causing excessively high stages downstream from the dam. At such times, however, releases of over 1,200 cubic feet a second have still been maintained over the spillway. This has been possible, Troxler stated, because high local runoff above the dam following those heavy rains has raised water levels above the spillway and increased the discharges accordingly.

"In summary, Army Engineers state that Moss Bluff Dam has been operated to prevent flooding in the Oklawaha River Basin to the maximum possible extent with existing facilities. Appreciably larger releases cannot be made until the 20 miles of canal between Lake Griffin and Silver Springs Run is enlarged. Such improvement will be studied in a pending detailed study recently assigned the Corps of Engineers for preparation."

The great influx of people and the resulting development of suburban areas, roads, industries and agriculture combine to produce more rapid surface runoff into lakes and streams following heavy rains. This phenomena of increased runoff is particularly impressive in Lake and Orange Counties of the Oklawaha Basin.

I invite the committee's attention to the chart before you showing a profile of the Oklawaha River system and bar graphs showing lake stages by months. The green band in the bar graph is the normal range from desirable low to desirable high. The red bar indicates flood stage. Full information for all gaging points is shown for calendar year 1959. I use the Oklawaha River to illustrate the experience of all four of the streams in the watershed system because most complete information is available for this river.

During the week of March 15 severe rainstorms occurred with the lakes already at dangerously high stages from February storms. From March 15 to 18 rain continued with the result that gage readings of March 21 show alltime record highs in three of the lakes as illustrated on the chart. The experience of the Oklawaha River has been presented in detail because most complete data are available for that river. However, the other three streams have experienced similar prolonged damaging floods in 1959 and 1960. For example the Tampa area in the lower Hillsborough River Basin has recently been declared a Federal disaster area. All four streams are presently in flood.

Mr. Chairman, in consideration of the flood experience of 1959 and 1960, I recommend the appropriation of $100,000 for the study and report on the Green Swamp and tributary area in central Florida.

Mr. Chairman, gentlemen of the committee, I am Jack McDowell, chairman of the Board of County Commissioners of Orange County, Fla. My county, of which Orlando is the county seat, was recently a partially urban but predominantly agricultural area, best known for its production of citrus fruit, quality beef cattle, and winter vegetables. We are now a crossroad in America's efforts in the missile race—perhaps best known now as the home town of Martin-Orlando, as the supporting metropolitan center behind Cape Canaveral and as the focal hot spot of the present flood disaster area of central Florida. The President and the Governor of Florida declared us a part of a major disaster area on March 15, 1960; but, gentlemen, we have been walking the tightrope of flood disaster for 27 continuous months.

Southern Orange County is in the Central-Southern Florida Flood Control District, and we share with our neighbor, Osceola County, at least $1 million damage in the Boggy and Shingle Creek Basins within the past 30 days. We need help in these basins desperately and we respectfully urge that you approve the item of about $15,000 in the President's budget for the Corps of Engineers to complete a survey review report on these streams.

Now, the Kissimmee River Basin just south of us receives the rapidly growing runoff from these creeks, with their new suburbs and vast factories where cows grazed 3 years ago. The Corps of Engineers has been authorized to construct works in this area and the works are already planned. We have floods in Boggy

Creek for the second time in 3 years; Lake Tohopekaliga at Kissimmee is standing at a new alltime high; yet the Budget Bureau has seen fit to submit to you only a token start on constructing flood control works in the Kissimmee Basin.

Gentlemen, we ask that you will earnestly consider advancing starts on the following works of the upper Kissimmee River portion of the central and southern Florida Federal-State project:

Description	Project No.	Total cost	Federal cost
St. Cloud Canal	C-31	$52,800	
Control structure (less lock)	S-59	125,000	
Southport Canal	C-35	363,300	
Control structure and lock	S-61	278,300	
Cypress Lake Canal	C-36	369,000	
Lake Hatchineha Canal	C-37	668,800	
Control structure and lock	S-64	700,000	
Total		2,557,400	$2,045,900

Finally, gentlemen, Orange County is not only in the central and southern Florida area, we are also in the flood drainage basin of the Oklawaha River, the lower portion of which has been for many years a Federal navigation project, with the Federal lock and dam at Moss Bluff holding the cork in the floodway. Right now, the sandbagged Federal dam is within inches of being overtopped; excessive flows have undermined the lock chamber; and for the third straight year the lakes and streams upstream in Orange and Lake Counties have set new highs. Floodwaters in Lake Eustis are slowly rising into the main street of the city of Eustis. Lake Apopka is within inches of the top of the dikes surrounding the Zellwood district, where 8,000 acres of winter vegetables face sudden ruin—at a cost of at least $6 million in this one spot. And this is the usual dry season; the prospect for our rainy season, about 60 days away, is horrible to consider.

In the past 5 years we and our neighbors have spent $1,140,000 in stream improvement and control works. This local money has achieved good results, but we are strangled by lack of improvement in the lower, Federal, portion of this river. The Corps of Engineers have expressed the following needs to get started now to prescribe a remedy:

For preliminary survey and report, Green Swamp and upper Oklawaha, Peace, Withlacoochee, and Hillsborough Rivers	$100,000
For survey review of previous reports, Oklawaha River, for flood control and related purposes	250,000
Total fiscal year 1961	350,000

Gentlemen, it is already late; already in our third straight year of serious trouble, the waters are rising this very minute into farms, groves, homes. To delay another year is an invitation to a catastrophe which will destroy us. We request, sirs, that you allocate to the Corps of Engineers the necessary funds, admonishing them, please, to make all haste possible.

We are ready, able, and more than willing to honor and support the local interest burden in these matters. Our expenditure to date attests this attitude. We ask no charity; we do ask, urgently, that you join with us to define the Federal and local interests; and to devise a workable plan for improving the Federal project in the Oklawaha River to the end that this river may be an asset to the Nation and our State—not a standing threat to our lives, our homes, and our economy.

Thank you.

Mr. HERLONG. I have one other statement, Mr. Chairman. It is in the form of a news release by the Corps of Engineers as to the damage by the recent floods which occurred in the area in which I live.

There is shown in this statement, Mr. Chairman, that there were some 886,000 acres of land flooded in my district and the damage was, roughly, $20 million. This is a most conservative estimate. That loss for the most part will be only partly suffered by the individuals.

Uncle Sam is going to pay for a large share of it because it is coming out of the people's income tax.

Mr. CANNON. The news release by the Corps of Engineers will be made a part of the record at this point.

(The news release referred to follows:)

U.S. ARMY ENGINEER DISTRICT,
TECHNICAL LIAISON BRANCH,
Jacksonville, Fla.

ARMY ENGINEERS COMPLETE FLOOD DAMAGE SURVEY

Nearly $20 million damages have already occurred from central and southwest Florida floods according to a statement by Col. Paul D. Troxler, Jacksonville district engineer for the Army Engineers. The intense rains of March 15 to 18 caused severe flooding over a 14-county area which will not recede to normal for several months in some areas.

With the present saturated condition of the soil and overflowing lakes, further rains could cause additional flood damages, the engineer stated. Principal damages have occurred in the Oklawaha, Hillsborough, Withlacoochee, and Peace River Basins, but Shingle and Boggy Creeks south of Orlando, Brevard County on the east coast, the Lake Tarpon and the Anclote River area near Tarpon Springs, and the Pithlachascotee River Basin have also experienced appreciable damages. Rainfall above 10 inches was general for the 4-day storm period over a 10,000-square-mile area of west-central Florida, and amounts of above 15 inches fell over a 1,800-square-mile region. Near-record levels were reached on the streams receiving this storm flow.

Army Engineers now estimate that 886,000 acres of land have been flooded, with direct damages totaling $19,727,000, which has affected some 12,000 flood victims. Estimated damages are divided: $5,512,000 urban, $3,220,000 to roads and streets, $120,000 to utilities, and $10,875,000 to agriculture.

By river basin areas, the estimated total breakdown is: $6,835,000 for Hillsborough River; $2,152,000 for Withlacoochee; $7,808,000 for Oklawaha; $1,401,000 for Peace; $980,000 for Shingle and Boggy Creeks; and $551,000 for other affected areas. Greatest losses were sustained in Hillsborough, Orange, Marion, Polk, Lake, Hernando, and Pasco Counties, in that order.

The flood was of unusual severity, estimated by Army Engineers as having a recurrence frequency of about once in 20 years. Colonel Troxler praised the cooperative assistance rendered by various county agricultural agents, public officials, State and Federal agencies, and many private interests in compiling the flood appraisal.

Mr. HERLONG. What we are asking for here, Mr. Chairman, is $100,000 so that the Engineers may make a study to determine how this floodwater can best be taken care of.

Florida is growing so rapidly that every time we build a building we figuratively take up part of the blotter that normally absorbs this rainfall, with the result that the water finds its way more quickly into our streams resulting in these devastating floods. We will continue to have this problem, and that is why it is necessary for us to have this study made so we can know the best possible way to get rid of this surplus water.

I would like to point out to the committee that here [indicating] is the place from which virtually all of the water in the State of Florida comes. It is known as Green Swamp. While it is a swamp, it is 130 feet above sea level. The waters from this swamp feed these rivers to the south (Hillsborough and Peace Rivers) and this one [indicating], the Withlacoochee, to the northwest, and this one, the Oklawaha, to the north. They are all fed from Green Swamp. We must find some way whereby these waters can be controlled. We know it can be done and the Engineers say that probably a $1,350,000

project will take care of it, but they do not want to say that they will spend that money now until they know that their quick judgment plan is the most feasible way to do it. I think that makes sense and we would like to have this study started right away because, as I said, we had $20 million worth of damage in one year as the result of 15 inches of rain in a period of about 3 days. I call the committee's attention to the fact that that is not an unusual amount of rainfall for Florida, but because of the fact that it came at a time when the streams were already full the effect was greatly aggravated. We are going to continue to have these problems unless we make some real, concentrated effort to effectively handle these floodwaters.

Mr. Wakefield will go into this problem a little later and explain where this water comes from and how it acts during flood stages now. A large part of the city of Tampa has been flooded because of the waters coming from Green Swamp. Orange, Lake, and Sumter Counties have suffered such severe damage as to be declared a "disaster area." This water can be controlled with a proper study so that a plan might be developed to effectively handle it.

There is one other thing that will be brought out later on in connection with this flood condition. When the Cross-Florida Barge Canal is built it will, in the opinion of those who are supposed to know, take care of our surplus water without any difficulty. However, I do want to point out to you the real urgent necessity of starting this study now, because we will have $20 million or more worth of damage each year until such time as the water can be controlled. Not only our people at home, but the Government itself can't stand these annual losses.

I appreciate the committee's consideration. Believe me, gentlemen, it is urgent. My own front yard is on Lake Griffin. This lake is higher than it has ever been since they have been keeping records.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. JENSEN. Mr. Chairman, I can understand the problem that exists there after Mr. Herlong explained it so clearly.

Does any salt water from the ocean seep in?

Mr. HERLONG. No, sir; there is no salt water intrusion in that area. It is all fresh water. In the county in which I live there are 1,400 fresh water lakes. It is made up of hills and lakes. Subdivisions being constructed on the high ground and the resulting drainage that they have provided has caused all our lakes and streams to fill quicker. Before this enormous growth rainfalls would be absorbed where it fell and it would take a much longer time for it to reach the lakes and streams where it traveled by seepage rather than by drainage ditches. Every time we have built a house we have in effect taken up a part of a blotter and put down a piece of tile.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. JENSEN. I may say, Mr. Chairman, that Mr. Herlong comes before this committee in good graces because I have never known to my knowledge that he ever asked for any money for his district but what it was completely justified, and I have known of him making

votes which even some of the most conservative Members of Congress kind of hesitate to make. So, when Mr. Herlong asks for a helping hand from his Uncle Sam, I say again that he comes before this committee in all good grace.

Mr. HERLONG. I do appreciate the gentleman's remarks.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. HERLONG. Thank you, gentlemen, very much and I do appreciate any favorable consideration you give my request.

Mr. CANNON. Thank you, Congressman Herlong.

TUESDAY, APRIL 12, 1960.

CROSS-FLORIDA BARGE CANAL

WITNESSES

HON. CHARLES E. BENNETT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. ROBERT L. F. SIKES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. D. R. MATTHEWS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. A. S. HERLONG, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HENRY H. BUCKMAN, ENGINEERING COUNSEL FOR THE CANAL AUTHORITY OF THE STATE OF FLORIDA
F. A. MECHLIN, VICE PRESIDENT, A. L. MECHLIN BARGE LINES, JOLIET, ILL.
ROBERT THOMAS, PRESIDENT, FLORIDA WATERWAYS COMMITTEE, TAMPA, FLA.

Mr. CANNON. Congressman Bennett, you are appearing before the committee in behalf of the Cross-Florida Barge Canal, I believe.

Please be seated at the table, and you may proceed.

Mr. BENNETT. Thank you very much, Mr. Chairman.

The project we have before you is the Cross-Florida Barge Canal. This project is the unfinished portion of the cross-Florida reach of the otherwise completed Intracoastal Waterway from New Jersey to the Mexican border.

This unfinished reach extends from the existing channel of the St. Johns River in eastern Florida westward across the peninsula to the Gulf of Mexico, largely by way of the valleys of the Oklawaha and Withlacoochee Rivers. It is shown in red on the small map I hand to you.

The completed portion of this cross-Florida reach lies in the channel of the St. Johns River and is shown in blue.

The completion of the unfinished portion, including some $5 million of excavation made in starting the old abandoned ship canal and now usefully includible in this barge canal project, was authorized in 1942 by a special act of Congress expressly to promote the national defense.

Up to fiscal year 1958, approximately $5,150,000 had been expended on this project, including $3,750,000 for still useful excavation work formerly done, plus more than $1,400,000 expended on planning the barge canal project. This preconstruction planning is now 85 percent complete.

In fiscal year 1958, the committee recommended and Congress authorized an additional $10,000 for an economic restudy of the project. As a result of this restudy, the Chief of Engineers reported a benefit-cost ratio of 1.05 plus a great defense value which he stated was not susceptible to monetary evaluation. He has therefore placed the project on the active list.

It is my understanding that the Army Engineers require $160,000 to finish their preconstruction planning, and that they have already completed this planning of the portion which consists in further improving the St. Johns River channel upstream from Palatka. This portion is shown in red on the working drawing of the district engineer which I now hand to you.

It is also my understanding that the Engineers have the capability of economically using $160,000 for completing preconstruction planning, and $1 million for excavation in the St. Johns River portion in fiscal year 1961. I also understand that this excavation, aside from the cross-Florida reach, represents a continuingly useful improvement of the St. Johns River channel now used by navigation between Jacksonville and Sanford, Fla.

We are, therefore, asking the committee to recommend an appropriation for fiscal year 1961 of $160,000 to complete the preconstruction planning, plus $1 million for the excavation in the St. Johns River reach, making a total of $1,160,000.

I realize that the committee is well acquainted with this project and its importance to the national economy and to the national defense. The record of your hearings is replete with testimony as to these values. At this time I desire to emphasize particularly the fact that the completion of the whole Intracoastal Waterway, which this reach across northern Florida will accomplish, is not simply important but it is essential to our national defense.

In peacetime our coastwise ocean shipping carries such a large proportion of our total domestic commerce that its absence in time of war will transfer to our presently existing inland transport system an additional load which it cannot sustain. It is evident therefore that the revolution in naval operations brought about by the high-speed atomic submarine, which can remain on patrol for many months at a time, and the development of petroleum as a primary requisite in warfare, have critically reduced the wartime capacity of our internal transport lines to meet the requirements of the Military Establishment and the civilian war effort.

These conditions, and our nearly disastrous experience in overland transport in World War II, emphasize the fact that in any future global war of considerable duration, enemy submarines will drive our coastwise transport, including petroleum tankers, from the seas. This will mean that the vast quantity of petroleum (in addition to dry cargo) which must be moved from the interior to the ocean coasts will

be utterly beyond the capacity of our rail, highway, and pipeline facilities. I call to the attention of the committee that at the present time approximately 90 percent of all petroleum being moved to our eastern seaboard, is moved by ocean tankers. If the use of these tankers is denied us by the enemy, a definitely foreseeable result of the new submarine, a minimum of 466,000 tons per day will have to be immediately added to the war burden of our overland transport facilities. The maximum petroleum load that all these facilities put together was able to carry at peak efficiency in World War II was approximately 42 percent of this amount. The only practicable way to provide for this overload is the completion of the Intracoastal Waterway.

As a member of the Committee on Armed Services, I have noted with increasing concern that almost nothing is being done to increase the transport capacity of our internal lines of communication so that they will be adequate in time of war. It is fairly evident that our peacetime economy will not support an expansion of our rail and highway facilities sufficient to bear the crushing overload that the war effort and the removal of our ocean coastwise transport will impose. This is especially true with respect to bulk commodities, particularly petroleum and its products. On the other hand, our peace time economy can support all necessary increase in the transport network by the inter-connection of the improved inland navigation channels of the Mississippi Valley and the Atlantic seaboard which the reach across Florida will accomplish. It is this vitally essential expansion of our overall transport system for which we are asking the committee.

This is not a local project nor a State project. It is one which involves the welfare and security of the entire Nation. There are many here today, Mr. Chairman, who wish to bear witness to this, men who represent interests in every State of the Union.

Now, Mr. Chairman, we have a number of witnesses here, both Congressmen and otherwise, and specifically a Member of the House committee has asked, first, to testify, since at the end of his remarks I am going to turn the matter over to Mr. Buckman who is chief counsel for the project, and I shall call now upon Mr. Sikes, but before I do that, I would like to introduce two constituents of mine, Mr. Julian Warren, who is head of the port authority and Mr. Joe Burnett, who is a member of the port authority and both of these gentlemen are commissioners of Duval County, Jacksonville, Fla. This is important to them, particularly, because this particular area bears a great deal of the local burden of this matter as far as taxing is concerned in order to take care of the rights-of-way and so forth.

At this time, Mr. Chairman, I will ask Mr. Bob Sikes, a senior member of the Florida delegation, to present a statement.

Mr. CANNON. Congressman Sikes.

STATEMENT OF REPRESENTATIVE ROBERT L. F. SIKES OF FLORIDA

Mr. SIKES. Mr. Chairman, as a member of the Committee on Appropriations I share your concern for the full justification of all expenditures of Federal funds. I realize fully that first things must come first and that funds for the prosecution of public works are not

unlimited. I would not appear before you to urge the appropriation of money for the completion of the Intracoastal Waterway from Trenton, N.J., to the Mexican border by the Cross-Florida Barge Canal unless I felt as I do that this item cannot properly be further postponed.

In my statement to the committee with respect to this project last year I endeavored to set forth fully my views and the reasons why I think it should take precedence over many others. I desire now only to remind the committee of some of those reasons which, due to the subsequent march of events, are even more valid today than they were then. In particular I wish to stress three things.

First, it is doubtful that we have any eventual choice as to whether or not we provide funds for the expansion of the capacity of our internal transport facilities. If we are to be adequately prepared for war we are obliged to make provision for this. Our only freedom of choice is on the time and the means. Shall we begin to do it now by providing for the interconnection of our inland navigation channels at a reasonably moderate cost which will be returned to the Nation in public benefits during peacetime, or shall we postpone construction until the advent of war and then attempt to provide means for this transportation at a cost which may be many times greater, with all the risk such a course will entail?

Second, I wish to say that in my opinion this project is more truly national in character than almost any other now awaiting construction. It will afford a truly protected inland water route between the midcontinent and the eastern seaboard area which is open all year round, and it will be wholly within the boundaries of this country.

Third, it is impossible to continue to ignore the implications of the advent of the high-speed, atomic-powered submarine. In my opinion, this development will in due course revolutionize naval operations and clearly affect merchant shipping. It will be very difficult for surface merchant craft to use the high seas in the face of this weapon, even when heavily convoyed. I think we must accept and include in any scheme for our national defense the absolute necessity for internal supply lines which will be adequate when we can no longer readily move cargoes by oceangoing surface vessels. I know of no more economical means for the practicable accomplishment of this than the interconnection of our inland navigation channels.

I very earnestly request, therefore, that the subcommittee weigh these facts and urge that you agree that provision be made to start this work in fiscal year 1961.

Thank you, Mr. Chairman.

Mr. CANNON. Thank you, Congressman Sikes.

Is there any provision for self-liquidation or self-maintenance of this project? Would any fees be charged, as in the case of the Panama Canal, to provide income for this project?

Mr. SIKES. No, Mr. Chairman; there is no direct return. This is on the same basis as other projects which we justify in this country. It is on the basis of economic justification. It has been found by the Engineers that this project will return more to the people of the coun-

try than it costs the Government to complete the project, and in addition to the defense consideration, we ask for its approval.

Mr. CANNON. How far up the coast, after crossing the isthmus there, does this intracoastal waterway run?

Mr. SIKES. To Trenton, N.J.

Mr. BENNETT. On the west coast it goes to Brownsville, Tex. Of course, the Mississippi Valley ties into this also, and that is our greatest inland waterway and, in fact, the greatest inland waterway in the world.

Mr. SIKES. This connects two great waterways, the Atlantic Intracoastal and the Gulf Intracoastal Waterways.

Mr. CANNON. Thank you, Congressman Sikes.

Mr. BENNETT. I now call on Congressman Herlong of Florida.

Mr. CANNON. We shall be glad to hear from Congressman Herlong.

STATEMENT OF REPRESENTATIVE A. S. HERLONG OF FLORIDA

Mr. HERLONG. Mr. Chairman, I spoke to you briefly a few moments ago about the four rivers. I have a prepared statement also on this project, and I shall ask that that be included in the record.

Mr. CANNON. Your statement will be made a part of the record at this point.

(The statement referred to follows:)

INTRACOASTAL WATERWAY AND FLORIDA CROSS-STATE BARGE CANAL

I have come before this committee a number of times to urge the completion of the National Intracoastal Waterway from Trenton, N.J., to the Mexican border by the construction of the authorized and final section across northern Florida which will make one vast interconnected network of the improved and improvable navigation channels of the Nation, excepting only those of the Pacific seaboard.

Each time I have appeared it has seemed to me that the need for action in this matter has increased. This is certainly the case at present.

As a member of the Committee on Ways and Means, I am naturally deeply concerned with taxation and the Federal revenue. I am interested in the conservative, economical expenditure of that revenue; in the avoidance of waste and unnecessary spending; and above all in a fiscal policy which will insure prudent planning in the expenditures for necessary things. Stopgap spending to accomplish things, the yield from which can be only temporary, and for which far greater expenditures must inevitably be made in the future, can be avoided by timely and provident spending. I think that such a policy is the right road to lower taxes.

This project affords an outstanding example of an opportunity for preventive spending. By investing now a relatively modest amount in this project which will pay in benefits as it goes, we can avoid the inevitable necessity for expending many times that amount in the event of war, expenditures which will be sheer attrition of our capital wealth.

I ask the committee to bear in mind the inescapable necessity, which will certainly arise in the event of war, for providing for a vast increase in our interior transport facilities to move from the midcontinent areas to the coasts the petroleum and dry cargo which must be moved if we are to survive in a future global war, once we are denied the coastal sea routes. I urge that it is far better to provide these facilities now, on what amounts to a self-liquidating basis, than to await the day when we may be unable to supply them at any cost.

I should like to call very respectfully to the attention of the committee the often overlooked fact that by completing the Intracoastal Waterway, and

especially this missing link, we shall at once increase the economic potential and benefits yield of every improved inland navigation channel east of the Rocky Mountains. If capitalized, this increase will be seen to amount to an immediate return of many times the cost of the project. It represents in reality a benefit-cost ratio of hitherto unknown magnitude.

I hope that the committee will not overlook the flood control value of this project, which is pointed up and accentuated by the flood conditions prevailing in Florida at this time. In my judgment the water conservation areas proposed in the project are one of the keys to the entire central Florida-Oklawaha River flood control problem which is of such keen concern to us at present.

My own district is directly and vitally interested in this project, and I would be derelict in my duty if I did not plead that interest before this committee. Also, I realize that there are some 38 other districts from New Jersey to Texas whose interests will be likewise affected, and that every district in every State of the Union has a stake in this enterprise. But I feel sure that all will agree with me in the view that this matter of interconnecting and making into one great network all the inland water transport facilities of the United States, excepting only the Pacific seaboard, is a national interest and merits prompt action on that score alone, irrespective of local or regional interests.

Mr. HERLONG. I would like in the very brief time I have to point out again the important flood control value of this project. These benefits have not been evaluated in figuring the benefit-to-cost ratio of the project and these benefits are and will continue to be quite extensive.

When this project is completed we will have in the central part of Florida reservoirs or storage pools which will be needed in connection with this cross-State barge canal and which are going to be just the thing to take care of this surplus water that we have to get rid of. More important, instead of losing this water it will be conserved for the time when we do need it.

I think this is most important, and I want the committee to know that this is a value that has not been applied to the project before. For the first time it has been called to the committee's attention and I hope you will give it serious consideration.

Mr. CANNON. To what extent is it served by sea water?

Mr. HERLONG. I would have to ask some of the engineers on this project to give you the extent to which it is served by sea water.

Mr. BUCKMAN. It is served by sea water. There is a local canal, Mr. Chairman, and it is served by sea water at the western end for approximately 7 miles up from the gulf and then there is sea water or a certain amount of salinity, which is normal fresh water content, on the eastern end for about 28 miles up from the ocean. The entire middle section of over 100 miles is entirely fresh water.

Mr. CANNON. The current is east and west from the watershed?

Mr. BUCKMAN. Yes, sir; it is only that current which is controlled by dams and by the lock gates. It is a current of less than 1 knot per hour.

Mr. BENNETT. Mr. Chairman, I would like to present to the committee at this time Congressman Matthews of Florida.

SURVEY OF CEDAR KEYS HARBOR AND CHANNEL

Mr. MATTHEWS. Mr. Chairman and gentlemen of the committee, in order to save the time of the committee, I would like at this point to

file a statement on behalf of the Cedar Keys harbor and channel project in my district, if I may.

Mr. CANNON. It will be made a part of the record at this point.

(The statement referred to follows:)

STATEMENT OF D. R. (BILLY) MATTHEWS, MEMBER OF CONGRESS, EIGHTH DISTRICT OF FLORIDA, ON BEHALF OF CEDAR KEYS HARBOR AND CHANNEL, FLA., SURVEY REPORT, TUESDAY, APRIL 12, 1960

Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you and to urge the committee to appropriate the sum of $15,000 for a survey report by the Corps of Engineers on Cedar Keys Harbor and Channel, Fla., as authorized by the House Committee on Public Works on June 27, 1956.

The town of Cedar Keys was once one of the largest towns in Florida. It is noted as a fishing resort, and many pleasure and commercial fishing craft use the surrounding waters. In spite of severe storm damage to the town and harbor facilities a few years ago, it has staged a remarkable recovery and growth. Its gains would have been more impressive if certain channel and harbor improvements could have been undertaken sooner. Because of its favorable climate and unsurpassed natural potentialities as a gulf coast resort, its future growth would be assured with the provision of such improvements.

A brief review of work accomplished under previously authorized Federal engineering projects, as furnished by the Jacksonville district, Corps of Engineers, discloses:

"An original project provided for a channel 200 feet wide and 10.5 feet deep at mean low water along the main channel by dredging through shoals at the entrance and near the junction with the harbor, and by dredging a cut through the middle ground. Length of the channel is about 5.5 miles. Work was largely completed on the project by 1892. No additional work was accomplished until 1929. By 1931, the project was completed except for the removal of ledge rock in the middle ground cut. The middle ground channel was dredged to 200 feet wide and about 10 feet deep between 1872 and 1881. Ledge rock was encountered and project depth was not secured. This channel filled completely in the next few years."

This project, in effect, is about 95 percent completed; 5 percent remains uncompleted. The engineers review continues:

"It was decided at that time that due to its location with respect to the tidal flow, that the cost of maintenance would be excessive. It has, therefore, never been restored. It was found, however, that a cut of short length (cut A) near the southwesterly end of the middle ground would enable the establishment of full project width and depth from the gulf to Cedar Keys. That channel was completed to full 200 by 10.5 feet in 1929. Since that time, vessels having drafts in excess of 5 feet have used cut A."

Vessels of the shallower drafts can cross middle ground without the extra travel to cut A. Use of cut A involves an increased distance of about a mile over direct crossing of the middle ground.

An estimate was made about 1935 of the cost of providing the middle ground cut and it was then estimated at $3,500. Costs have since mounted, of course, and will continue to mount until final accomplishment.

The survey at Cedar Keys Harbor and Channel, authorized by the Committee on Public Works June 27, 1956, as indicated, could be accomplished with an estimated cost of $15,000. It is my earnest hope that your committee will provide the necessary funds for this survey in the next fiscal year's budget in order that it may be programed and accomplished without further delay. An extension of the present channel project to portions of Cedar Keys not currently served would greatly contribute to and enhance the development of that area.

Thank you.

Mr. MATTHEWS. Now, Mr. Chairman, I would like permission to insert in the record my complete statement in behalf of the Florida State Barge Canal and to emphasize the point that has been brought out here I think so well today that the canal would be of tremendous help from the standpoint of defense.

I think it is interesting for the gentlemen of the committee to note that it was possible during World War II on more than one occasion to go onto the beach of what is now my district and watch the glow of the exploding fire of an American tanker struck by a torpedo from an enemy submarine, and to hear the rattle of the sub's machineguns as it attempted to kill our surviving seamen in the water. On one occasion some of my people stood on a wharf and saw our rescue boats bring in the dead and wounded weltering in their own blood.

That is a dramatic statement, but it is true.

Mr. CANNON. Your statement will be made a part of the record at this point.

(The statement referred to follows:)

STATEMENT OF D. R. (BILLY) MATTHEWS, MEMBER OF CONGRESS, EIGHTH DISTRICT, FLORIDA, ON BEHALF OF THE FLORIDA CROSS-STATE BARGE CANAL

Mr. Chairman, I am delighted to appear again to ask for funds to start work on our Florida Cross-State Barge Canal which has been under discussion for more than 100 years. I want to associate myself with the views of my colleagues, and state that I believe this proposed canal is of vital national importance. It is the missing link of 107 miles in the 1,400-mile inland waterway system.

As the committee knows, the Corps of Engineers has estimated the canal would have a favorable economic justification. This is without any consideration as to the value of the canal in the event of war. If we would add justification from a military standpoint, we would have an overwhelmingly favorable economic justification.

Mr. Chairman, during World War II it was possible on more than one occasion to go onto the beach of what is now my district and watch the glow of the exploding fire of an American tanker struck by a torpedo from an enemy submarine, and to hear the rattle of the sub's machineguns as it attempted to kill our surviving seamen in the water. On one occasion some of my people stood on a wharf and saw our rescue boats bring in the dead and wounded weltering in their own blood.

The submarine brought the war to our very doors then, and drove our coastwise shipping off the ocean and gulf. We lost approximately 80 percent of our ships in these lanes within 90 days after Pearl Harbor. This resulted in shunting overland all erstwhile seaborne cargo, and so overloaded our internal transport lines that they were already wearing out at an alarming rate before the collapse of Germany. It is known that this destruction of our coastwise transport and consequent overloading of our overland transport was a part of the high strategy of the German general staff, and it came perilously near to succeeding.

In the event of another war we would have nearly twice as much petroleum and dry cargo to transfer to and from the Atlantic seaboard, which could be forced overland by a far tighter submarine blockade. To meet this we now have somewhat less overall internal transport capacity than we had in World War II. We cannot ignore this threat to our future security.

I am convinced that the completion of the Intracoastal Waterway from Trenton, N.J., to the Mexican border by the cross-Florida barge canal and the resulting connection of our Mississippi Valley and eastern seaboard inland navigation channels is the only practicable method of removing this threat.

The inability of our people to load a barge in Pittsburgh, Chicago, St. Louis, New Orleans, or Houston, and haul it all the way by water to Philadelphia,

Baltimore, Norfolk, or Savannah, is a gap in our defense which ought to be closed without further delay, especially since it can be closed by a relatively few miles of channel construction.

The fighting front in another world war could well be on our own coasts and inland from our coasts. I think it behooves us to look to our defense beyond the actual munitions of war to the ultimate means of survival, namely, production and internal supply lines.

We find justification for the canal not only from a military standpoint. Let me emphasize again that we have an economic justification for the canal from the standpoint of normal business. Construction of this barge canal across Florida will result in fuller utilization of natural resources, and the establishment of industries not presently feasible. The canal would attract barge shipping, which lends itself to the transportation of bulky raw materials for such industries. Barge transportation would make feasible the increased transportation of power producing products such as coal and oil, with which industries such as phosphate and limerock could be further developed.

This project runs through my district, and will specifically include Levy, Putnam, and Nassua Counties in my congressional district. Naturally I am enthusiastically in favor of this project, as it would help the economic advancement of this portion of my district, and in a larger sense, it would help the State and the Nation.

I sincerely hope, Mr. Chairman, that we can obtain the $160,000 appropriation which we are seeking to finalize the plans for the canal, and the $1 million for construction work on the canal. I believe this investment will pay tremendous dividends in the future—not only for the economy of our country, but for its national security.

Thank you.

CROSS-FLORIDA BARGE CANAL

Mr. MATTHEWS. I hope with all my heart that this great committee will give us this money which we are seeking so we can start this justifiable project from the standpoint of economics, and especially from the standpoint of the military defense of this Nation.

Thank you, Mr. Chairman.

Mr. CANNON. Thank you, Congressman Matthews.

Mr. BENNETT. At this time, Mr. Chairman, I am going to ask the Chief of Engineers for this project—which is a State agency project in the State of Florida—Mr. Henry Buckman, to present the rest of the witnesses.

STATEMENT OF GOVERNOR LEROY COLLINS

Mr. BUCKMAN. If the committee please, I should like to present for the record, first, a letter from the Governor of Florida, the Honorable LeRoy Collins, endorsing this request to the committee.

Mr. CANNON. It will be made part of the record.

(Governor Collins' letter follows:)

STATE OF FLORIDA,
OFFICE OF THE GOVERNOR,
Tallahassee, April 8, 1960.

Hon. CLARENCE CANNON,
Chairman, House Subcommittee on Appropriations for Public Works, House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate the opportunity of expressing again to you my belief in the importance of the early construction of Cross-Florida Barge Canal.

This project, of national interest and scope, will provide the completing reach across Florida of the protected Intracoastal Waterway system extending form

New Jersey to the Mexican border and will join the vast complex of busy inland waterways throughout the midcontinent area. Although a protected waterway system of this magnitude will greatly enhance the economic development of all regions which it will serve, it is my belief that the Congress of the United States stated clearly, in the act which authorized this project, its most important and urgent role, and that role, as stated, is—

"* * * to promote the national defense and to promptly facilitate and protect the transport of materials and supplies needful to the military establishment * * *."

It continues to be my view that the canal will also greatly enhance the economic development of all regions which it will serve. Recent Presidential action in declaring excess water conditions in several areas of Florida to constitute a major disaster also accentuates the demonstrated ability of the barge canal to significantly enhance our potential for effective water management, both for flood protection and resource conservation.

These facts, I believe, are evidence of the propriety and necessity that I request your early and generous consideration to appropriate, during this session of Congress, sufficient funds to complete engineering designs and commence construction of the Cross-Florida Barge Canal.

Sincerely,

LEROY COLLINS, *Governor.*

Mr. BUCKMAN. With your permission, I should also like to introduce into the record a memorial from the Legislature of the State of Florida endorsing this request.

Mr. CANNON. It will be included in the record.

(The memorial referred to follows:)

CROSS-FLORIDA BARGE CANAL

(Memorial by the Florida Legislature presented by Henry H. Buckman, engineering counsel, Canal Authority of Florida)

SENATE MEMORIAL No. 347

Companion to House Bill No. 597

TO BE ENTITLED

A MEMORIAL to the Congress of the United States to provide sufficient funds for commencement of construction of the Cross-Florida Barge Canal at the earliest possible time

Whereas the Florida Legislature has heretofore created the Florida Ship Canal Authority and the Ship Canal Navigation Districts by the respective sessions of 1953 and 1955; and

Whereas Congress has heretofore authorized construction of this project conditioned upon establishment of economic feasibility; and

Whereas the Corps of Engineers of the U.S. Army has recently filed its report with Congress establishing the economic feasibility of the project; and

Whereas the construction is also justified as a defense measure and had it been so constructed when originally planned, the many hundreds of lives and thousands of tons of cargo lost by ships and vessels necessarily going around the tip of Florida during the last war would have been saved; and

Whereas it has been firmly established that the construction of this project would be like driving a "golden spike," creating a statewide waterway system directly connected with the entire national inland navigation network east of the Rocky Mountains; and

Whereas this great project was first conceived in an effort to relieve the economic stagnation of the great depression and would today provide a boon to the economic progress of the whole State of Florida; and

Whereas the barge canal now proposed, contrary to the old proposed ship canal, would provide for the impounding for the many millions of gallons of water and the increase the dwindling water supply of Florida; and

Whereas the project has been endorsed by and is being actively supported by the National Rivers and Harbors Congress, the Mississippi Valley Association, and the Intra-Coastal Canal Association of Louisiana and Texas; and

Whereas the early completion of the canal has been given top priority by the Florida Waterways Committee, which represents the entire State and is familiar with all waterways projects proposed for the State: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States be and it is hereby requested to provide at the earliest possible time sufficient funds with which to commence construction of the Cross-Florida Barge Canal during the next fiscal year and that such funds be provided from time to time thereafter as may be needed to pursue such project expeditiously to completion: Be it further

Resolved, That copies of this memorial be dispatched to the President of the United States, to the President of the U.S. Senate, to the Speaker of the U.S. House of Representatives, to each of the ablest congressional delegations in the U.S. Congress, the Florida delegation, to the Chief of Engineers, Corps of Engineers, Washington, D.C., and to the Governor of the great State of Florida.

Mr. BUCKMAN. We have a great many witnesses here—and others who would like to be here who are in Washington and who came to attend these hearings but for one reason or other have not arrived here in time—who wish to endorse this project.

I know the committee's limits on time. I will simply ask permission to read the list. I will introduce but one man, and I want a minute and a half for him, if you please.

Mr. CANNON. You may proceed.

Mr. BUCKMAN. The list is as follows: Henry Balch, Orlando, Fla., the Orlando Sentinel; Frank H. Brownett, Jacksonville, Fla., vice president, Jacksonville Area Chamber of Commerce; Joe Burnett, Jacksonville, Fla., Duval County Commissioner; John Crosby, Jacksonville, Fla., county engineer, Duval County; Rear Adm. R. M. Fortson (U.S.N., Retired), managing director, the Canal Authority of Florida; State Senator Sam Gibbons, Tampa, Fla.; John Krider, Sanford, Fla., Seminole County Commissioner; Capt. Norman Helfrich, Jacksonville, Fla., executive secretary, Jacksonville Traffic Bureau; Capt. F. M. Hendry, Tampa, Fla., barge terminal operator; Capt. A. C. Ingersol, Jr., St. Louis, Mo., president, Federal Barge Lines; Guy Jackson, Anahuac, Tex., president, Texas Reclamation Association; George King, Cocoa, Fla., Port Canaveral Director; F. A. Mechlin, Joliet, Ill., vice president, A. L. Mechlin Barge Lines; Dale Miller, Corpus Christi, Tex., executive vice president, Louisiana-Texas Intracoastal Canal Association; Jack Neilson, New Orleans, La., Neilson Towing Co.; Brailey Odom, Sanford, Fla., business executive; Capt. F. W. Priestman, Jacksonville, Fla., Florida Canal Navigation District; W. T. Spalding, Palatka, Fla., Committee of 100; Gleason H. Stambaugh, Sr., West Palm Beach, Fla., chairman, Florida Inland Navigation District; Robert Thomas, Tampa, Fla., president, Florida Waterways Committee; John Wakefield, Tallahassee, Fla., Florida State Director of Water Resources; George Ware, Leesburg, Fla., president, National Bank of Leesburg; Julian Warren, Jacksonville, Fla., Duval County Commissioner; William H. Webb, Washington, D.C., executive vice president, National Rivers and Harbors Congress; Joel Wilcox, West Palm Beach, Fla., manager, Port of West Palm Beach; R. G. Williams, Palatka, Fla., director,

Canal Authority of Florida; Everett Winter, St. Louis, Mo., executive vice president, the Mississippi Valley Association; Philip M. Alvarez, Pensacola, Fla., port director, Pensacola Port Authority; and Richard H. Merritt, Jr., Pensacola, Fla., John A. Merritt & Co., steamship agents.

I should like to ask permission if any of those gentlemen wish to put a statement in the record, that they be allowed to do so, Mr. Chairman.

Mr. CANNON. We must have it by Friday of this week.

Mr. BUCKMAN. I will see that is done.

Mr. CANNON. It will be admitted into the record.

STATEMENT OF MR. F. A. MECHLING

Mr. BUCKMAN. Here is a statement from Mr. F. A. Mechling and some exhibits.

Mr. CANNON. Very well; they will be made part of the record.

(Mr. Mechling's statement follows:)

My name is F. A. Mechling. I am executive vice president of A. L. Mechling Barge Lines Inc. of Joliet, Ill. I have served in office and managerial positions with the A. L. Mechling Barge Lines since 1939. I assumed my present duties as executive vice president in 1955.

The A. L. Mechling Barge Lines is a common carrier by water on the inland waterways and on the Gulf of Mexico, transporting dry bulk and liquid bulk commodities in non-self-propelled vessels with the use of separate towing vessels. The A. L. Mechling Barge Lines operates a fleet of approximately 200 barges and 12 towboats. The company has been in waterway transportation business since 1920 and has steadily grown and expanded its routes and services from that date forward. In 1959, we transported a total of 3,675,000 tons of various commodities over the routes we serve. Our operations extend over approximately 4,000 miles of waterway, including, from Minneapolis in the Northwest to Houston and Galveston, Tex., in the Southwest; to Tampa, Fla., in the Southeast; to Pittsburgh, Pa., on the Ohio River; Chicago, Ill., on the Illinois Waterway; Knoxville, Tenn., on the Tennessee River; and Nashville, Tenn., on the Cumberland River.

There are a number of commodities that are suitable for barge transportation between the Midwest, on the one hand, and Florida, on the other, that could efficiently and economically be transported over the proposed waterway here under consideration. As background for illustrating the types of commodities that could be transported by barge over this proposed extended waterway, a brief review of our history in connection with barge service between the Midwest and Tampa will be enlightening.

Before instituting barge service between the Midwest and Tampa, Fla., we surveyed the potential commodities that might lend themselves to barge transportation, as well as the need for transportation service by both the producers and consumers. In analyzing the potential traffic, the production and consumption records of agricultural commodities demonstrated substantial surplus of feed grains in the Midwest available, waterside, for shipment by barge. Our interviews and surveys revealed that there was a deficiency of such grains for the expanding livestock, dairy, and poultry-feeding industries in the State of Florida. We were also aware of great quantities of phosphate rock produced in Florida and used in great quantities in the chemical and fertilizer industries in the Midwest. As a result of our investigation, we learned that the prevailing freight rates via land transportation prevented a full development of the potential volume of these commodities.

When we first inaugurated this service in 1952, the savings reflected by the barge transportation rates resulted in a reduction in the cost of feed grain to the user of about 5 cents per bushel. Over the years, since this service began, our tonnage has grown from about 10,000 tons a year in the beginning, to 23,000 tons of corn and 13,000 tons of oats in 1957; to a total of 47,000 tons of corn and

23,000 tons of oats in 1959. The 1959 tonnage figure of grain represents approximately 3 million bushels, and, based on the 5-cent per bushel reduction in cost, a saving to the consumer of $150,000 per year based on this volume. In addition to the savings reflected to the users of these grains, this movement also created a new and expanding market for the midwestern producers, providing them with an outlet for their surplus production through the accessibility by barge transportation to the consuming markets in Florida.

In addition to the transportation of grains, we were also able, through the barge service, to develop a substantial movement of dried sewage sludge from Chicago. This product is used in great volume in the fertilizer industry in the State of Florida. Commencing in 1954, we transported 18,000 tons of this commodity; in 1956, a total of 55,000 tons; and in 1959, 65,000 tons of sludge were transported from Chicago to Tampa. We found, by lower cost barge rates, the fertilizer mixers were able to manufacture finished fertilizers, sell it to the users, and reflect a saving to the users of $3 to $4 per ton.

In the northbound direction, from Tampa to the midwestern markets, we transported, in 1954, 11,000 tons of triple superphosphate for fertilizer mixing, and 21,000 tons of phosphate rock to the chemical industries. In 1957, we transported 25,000 tons of superphosphate and 89,000 tons of phosphate rock to the Midwest, and in 1958, the total transported to the midwestern fertilizer mixers was 30,000 tons of superphosphate and 140,000 tons of phosphate rock. Here again, through the low-cost barge service, we were able to develop new markets and expanding markets for a low-grade commodiity that moves in large volume. Phosphate is readily and plentifully available in the State of Florida and finds a ready market in the various industrial and agricultural uses in the Midwest. The balancing of these movements, grain and dried sewage sludge fertilizer, southbound; and phosphates in the northbound direction, produced an increase in our tonnages from and to the west coast of Florida due to low-cost barge service and, in turn, reflecting in savings to the users of barge service.

We also found that, through the availability of a low-cost barge service, we were able to develop a domestic market for scrap iron and steel moving from the Florida market into the midwestern steel mills in the Mississippi Valley.

With this as background, we now view the possible traffic that could be moved by water from the midwestern markets to Florida and from Florida to Midwest markets by joining the Cross-State Barge Canal to the Mississippi Valley waterway system. Here again, we find that in the case of the fertilizer moving from the Chicago district to Florida, approximately 30,000 tons could be moved via the Cross-Florida Barge Canal into the Jacksonville market, resulting in a savings to the user of $3 to $4 a ton. Looking at the possibilities in connection with the movement of grains from the Midwest to the Florida market, savings of approximately 5 cents per bushel would be realized by using barge transportation in delivering these commodities to the ultimate users.

The basic value of low-cost transportation is beneficially effective in providing transportation of commodities from surplus areas to deficit areas and expands the use of the commodities. The access to an expanding consuming market for agricultural commodities creates an outlet for products of a surplus area and reduces costs for the consuming area, resulting in benefits to the entire economy of the country.

The other commodity that I have discussed, the sewage sludge fertilizer that moves from the Midwest to Florida, is surplus and far in excess of the requirements and needs of this particular commodity in the Chicago market, but finds a very ready and available market for its use in fertilizing the sandy soil that is typical of the State of Florida.

Moving now from commodities that are available in the Midwest in great quantity and looking for markets in the South, we will take a look at the commodities that have a potential movement from the Florida area, readily available for shipment to the markets in the Midwest in need of such commodities. In connection with these commodities, I am thinking particularly of the pulpboard and paperboard products that are manufactured in Florida and used in the cardboard carton manufacturing and packaging plants in the Midwest.

There are many other possibilities that undoubtedly would develop and come about through the availability of barge transportation. When we had recent hearings in connection with an application to extend our operating certificate to and from the State of Florida, we found many commodities that would lend

themselves to barge transportation and could be readily transported by barge from the Midwest to Florida. The list covers newsprint, glassware, canned dog food, canned vegetable goods, clay tile and sewer pipe. From the Florida market canned citrus products, scrap rubber, scrap lead, scrap iron and steel, and citrus pulp could be transported into the Midwest.

With the availability of unlimited fresh water supplies for industry, and low-cost barge transportation services carrying raw materials by water, entirely new opportunities for future expansion of industrial development takes place. The producers and the consumers benefit. Other modes and mediums of transportation also benefit from their participation in the transportation of high-rated products available through the increased industrial activity resulting from such water resource improvements as the Cross-Florida Barge Canal.

WASHINGTON.

CERTIFICATE OF PROJECT EXAMINATION AND CLASSIFICATION

To the Congress of the United States, and to all appropriate Federal and State Agencies:

The projects committee of the National Rivers and Harbors Congress, after due examination and consideration of data and testimony presented to it by the proponents of the presently proposed project for Cross-Florida Barge Canal, South Atlantic Division, in the State of Florida have determined that it is qualified to be placed in class I as hereinbelow defined, and the National Rivers and Harbors Congress, in convention at Washington on June 1, 1955, by vote of its members, has approved such classification of this project.

Be it known therefore that the project above named, bearing Docket No. 980, is entitled to and does have the commendation and support of this organization appropriate to its stated classification.

Signed and sealed in Washington in the District of Columbia on this 9th day of December 1957, by authority of the convention action of May 18, 1957.

NATIONAL RIVERS AND HARBORS CONGRESS,
[SEAL] BY WILLIAM H. WEBB,
Executive Vice President.

CLASSIFICATIONS DEFINED

Division I—Endorsed: This means that it is the judgment of the committee that the project is sound, needful and sufficiently advanced in status; and that its construction is justified by the public interest it will serve.

Division II—Meritorious: This means that the committee believes that although the project is not sufficiently advanced in status to warrant its present endorsement, it is meritorious, and that the committee is willing to consider, in due course, its advancement to division I upon presentation by its sponsors of additional evidence justifying such action.

Division III—Expeditious Report on Authorized Survey Requested: This means that the committee believes that the National Rivers and Harbors Congress should request the engineering authority to expedite any report on any authorized investigation or survey of the project to the end that appropriate further action may be had thereon in regard to its classification.

Division IV—Recommended for Survey: This means that the committee believes that sufficient showing on behalf of the project has been made to warrant further examination in the form of an adequate survey by an appropriate agency of the Federal Government.

Division V— Not Classified: This means that committee believes that sufficient showing has not been made on behalf of the project to warrant more favorable action, and includes all applications not otherwise classified.

STATEMENT BY EVERETT T. WINTER, EXECUTIVE VICE PRESIDENT MISSISSIPPI VALLEY ASSOCIATION

Close to 2,000 delegates from 33 States attending the 41st annual convention of the Mississippi Valley Association at St. Louis on February 7, 8, and 9, without a dissenting vote, by the water resource committee, the resolutions committee and by the general convention, passed the following resolution:

"CROSS-FLORIDA BARGE CANAL

"We believe that early completion of the Cross-Florida Barge Canal is for the best interest of, not only the midcontinent area and the State of Florida, but the entire country. Planning funds should be appropriated immediately for this project so that construction can be started at the earliest possible date."

STATEMENT OF MR. ROBERT THOMAS

Mr. BUCKMAN. There is one man out of all this delegation of witnesses that I ask to give 1½ minutes, Robert Thomas of Tampa, Fla., president of the Florida Waterways Committee, who more than any single man in the State, I think, can speak for the general interest of Florida in inland navigation. If you will permit Mr. Thomas——

Mr. CANNON. Mr. Thomas, we would be glad to hear you.

Mr. THOMAS. Thank you, Mr. Chairman and members of the committee. I would like to make a long speech but I am sure you gentlemen hear a lot of long speeches, and I sympathize with you.

My organization represents people from Pensacola to Key West, a distance of a thousand miles. We do not represent all the people in Florida, but we represent a cross section of them. We are 3 years old. We exist to promote the development of waterways along our great east coast from Jacksonville to Miami and down to Key West and along our west coast; but we recognize and have recognized since the beginning that the keystone to the development of waterways in Florida, and even more so to the making of our great intracoastal system along the east and west coasts, one depends on the construction of this Cross-Florida Barge Canal.

We commend it most heartily to your consideration and ask you to give us a start on this project which is of national importance.

Mr. CANNON. Thank you, Mr. Thomas.

STATEMENT OF COL. HERMAN W. SCHULL, JR.

Mr. BUCKMAN. At this time, Mr. Chairman, I would like to present the statement of Col. Herman W. Schull, Jr., Corps of Engineers, U.S. Army (retired), for inclusion in the record at this point.

Mr. CANNON. Very well; it may be placed in the record.

(The statement of Colonel Schull follows:)

ECONOMIC JUSTIFICATION OF CROSS-FLORIDA BARGE CANAL

(Statement of Herman W. Schull, Jr., Colonel, Corps of Engineers, U.S. Army, Retired)

It is a pleasure to have this occasion to make a statement on the economic aspects of the cross-Florida barge canal. With your permission, I would like to present for your records my report which reviews and brings up to date the economic restudy by the Corps of Engineers. I would like to summarize the discussion and findings therein in order to conserve time.

In their restudy, the Corps of Engineers found the cross-Florida barge canal to be economically justified, with a ratio of benefits to costs of 1.05 to 1 based solely on the peacetime use of the canal over its economic life. The average annual benefits were reported as $7,758,000 and the estimated annual costs as $7,365,000.

The transportation savings which constitute the major item of benefit are based on the average annual future traffic. The future traffic was developed from growth trends of population, agriculture. and value added by manufactures. Local traffic was considered to be related to the growth of Florida's

economy, and through traffic to the growth of the national economy as a whole. The traffic which would have used the canal in 1956 if it had been completed was found to be 860,650 tons. Over the life of the project the traffic was estimated to average 1,858,420 tons.

The growth is equivalent to an increase of 115.9 percent. The rate of growth is 2.3 percent per year. It is evident that the growth of traffic is a very important and critical determination in estimating traffic and determining benefits, since benefits are based on the average volume of traffic over the project life.

The development of Florida in growth of population and in growth of industry has been impressive. The prospective traffic for this waterway found by the Corps of Engineers is extremely conservative when viewed in the light of the record of past progress and prospects for the future. The growth of traffic in the Corps of Engineers' restudy is ultraconservative—2.3 percent per year, as I indicated before.

Some of the factors by which the developing economy of Florida can be judged are growth of population, commerce, new construction, consumption of electric power, fuel, and value added by manufactures. The annual increases since 1950 in these factors are as follows:

	Years	Annual increase in percent
Population	1950–57	6.0
Retail sales	1950–55	10.0
Bank deposits	1949–56	10.0
Electric power	1950–56	11.5
Construction (new)	1950–56	10.9
Gasoline consumption	1950–57	11.0
Value added by manufactures	1950–56	14.0

The intracoastal waterways along the gulf coast and along the Atlantic coast are extensive systems of 12-foot-deep channels. All sections of these waterways have shown substantial increases in traffic following their improvement to channels of 12-foot depth. The lowest annual rate of increase was 5 percent, on the Atlantic intracoastal (in South Carolina), and the highest annual rate was 25 percent from Apalachee Bay to Panama City on the gulf intracoastal in Florida.

The reason why the growth of traffic in the Corps of Engineers' restudy is lower than appears reasonable lies in the methodology of projecting growth of population and industry on which their forecast of traffic is based. Let us examine a more realistic method.

The Bureau of Business and Economic Research of the University of Miami has made a long-range projection of the growth of population and industry for Florida. This study shows that the State of Florida has grown from a population of 968,000 in 1920 to 3,580,000 in 1955. The trend of growth during this period represents a rate of about 3.6 percent increase per year. As a comparison California's population increased from 1,039,000 in 1895 to 3,427,000 in 1920, a corresponding growth of 3.7 percent per year. Florida thus has followed California's trend with a 35-year lag.

This similarity of past trends supports an assumption of a similar growth of population in the future. However, the land area of Florida is only one-third of California's. It also lacks the large adjacent market area comparable to the mountain States which are supplied by California's industries. It is recognized that Florida is bound to approach a saturation before it attains California's present population.

The bureau of business and economic research concludes that Florida will follow California's growth with a 35-year lag until 1980, at which time it will have attained a population of about 8.7 million. Then land scarcity will become a limiting factor, forcing a slower growth, to reach a population of 17.9 million by 2015.

This estimate represents an increase of about 2.5 percent per year from the 1957 level, which is considerably less than the State's previous rate. Assuming the validity of these conclusions, Florida's average population during the period 1965–2015 will be 11,082,000—a 161 percent increase over the 1957 population.

This compares with an increase estimated at 134 percent by the Corps of Engineers.

The industrial growth of Florida is of fairly recent origin. Although increases in industrial output have occurred almost yearly since 1899, by far the greatest growth has occurred since 1940. The trend since 1933, however, has been upward at a rate in excess of 7 percent per year. The overall trend 1899 to 1954 has been 3.7 percent per year.

A comparison of Florida's industrial growth with that of California again shows the parallelism that exists between the two States. Essentially, Florida's manufacturing development is 35 years behind that of California. Extending the Florida growth curve forward along the California trend produces a rate of 5.9 percent per year. The same factors which are expected to cause a decline in Florida's later population growth may also cause a decline in her industrial growth.

The bureau of business and economic research adopts a projection based on the period 1899–1954. This projection represents an annual increase of 3.7 percent per year. This increase over the life of the improvement is 246 percent. This percentage increase corresponds to the 117 percent used by the Corps of Engineers.

It is believed that there is solid justification for revising upward the prospective traffic of commodities the consumption of which is related to population and manufacturing. The prospective traffic, using the revised growth trends for population and industry, amounts to about 2,400,000 tons as an average over the life of the project. This growth in traffic is at an annual rate of 3.2 percent, which is conservative when compared with that on all other improved sections of the Intracoastal Waterway. The total benefits with the revised transportation savings amount to $10,300,000, which results in a benefit-cost ratio of 1.4 to 1.0.

The strategic value of the canal in national defense has been discussed by Mr. Buckman. Since the review of the military advantages of the cross-Florida barge canal project by the Joint Chiefs of Staff in 1951, the Atlantic Missile Testing Center at Cape Canaveral, Fla., has become an indispensable defense installation. Since Canaveral lies along the Atlantic Intracoastal Waterway, the cross-Florida barge canal could provide direct access for barge transport to the test center from the gulf and Middle Western States. The construction materials and liquid fuels consumed at this installation amounted to more than 5 million tons in 1957 and 1958. It is estimated that under the current program the tonnages transported to this base by land and water carriers will exceed 900,000 tons per year for the next 3 years.

In the judgment of the commanding general of the center, the cross-Florida barge canal would be of benefit to the missile program in providing transportation savings and in providing transportation flexibility for logistic support of the center.

A notable example of what the canal could do for the missile program is illustrated by the need to transport an assembled Saturn missile for the exploration of interplanetary space from Redstone Arsenal to the test center. Movement by rail or truck is impractical due to size, weight, and the sensitive nature of the equipment. The missile is to be transported in a specially constructed barge 50 feet wide, 200 feet long, and of 8 feet draft. It will be towed from Huntsville, Ala., to New Orleans, on inland channels. At this point the barge bearing the missile will be stowed in a floating drydock for a sea voyage across the gulf and through the Florida Straits to Fort Pierce. From that port the barge will be towed through the Atlantic Intracoastal Waterway, now being improved to a 12-foot channel, to Cape Canaveral. This sea voyage and the attendant expenses and hazards would not be necessary if the cross-Florida barge canal were completed. This Saturn is one of many, Saturns and others, that will have to be moved to Canaveral.

The actual benefits afforded by the canal to the missile program cannot be calculated in dollars and cents. The costs by inland waterway are considerably less than by sea. This saving is substantial and could be calculated. I do not believe the benefits as computed take into consideration any saving on this military traffic. Furthermore, there may be circumstances where enemy interference would prevent the movement by sea of an extremely valuable and powerful missile. In this instance the benefits of the canal to national defense in affording inland movement are incalculably great.

Mr. BENNETT. Thank you, Mr. Chairman, for your courtesy.

TUESDAY, APRIL 12, 1960.

TAMPA HARBOR AND HILLSBOROUGH RIVER

WITNESSES

HON. WILLIAM C. CRAMER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. A. S. HERLONG, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
EDWARD BLACKBURN, JR., SHERIFF, HILLSBOROUGH COUNTY, FLA.
NORMAN BROWN, ATTORNEY, HILLSBOROUGH PORT AUTHORITY

Mr. CANNON. Congressman Cramer of Florida. You are interested in the Tampa Harbor and Hillsborough River project, I believe.

Mr. CRAMER. I have an additional interest to which I will call your attention, the last item on your hearing list, the four basin study.

Mr. CANNON. You may proceed.

Mr. CRAMER. Mr. Herlong, my distinguished colleague, is equally interested in it. I understand Mr. Wakefield will testify on the map and explain the project itself. We did have a flooding condition, which Mr. Herlong referred to, that has been estimated anywhere from 20 to 60 million dollars worth of damage in the recent flooding condition in the central part of Florida.

The Army Engineers recommended $100,000 for a survey of this project, for the first year's survey cost, this flood control project, with four river basins being involved. The rivers are marked off on the map. They include the Hillsborough River, which is the primary consideration in my district, running into the Tampa area; the Withlacooche River, the Peace River going south to Fort Pierce, and the Oklawaha River going north in Congressman Herlong's district.

I have a brochure for you gentlemen on this matter, with some of the pictures of the devastating flood caused by recent rains in that area causing the damage to which I referred. The people in the area and Mr. Wakefield, who is with the conservation board of the State, will testify as to the specific aspects of it.

The congressional delegation has signed a joint statement requesting it. The Chief of Engineers has approved the survey. It is my understanding, Mr. Chairman, that the Engineers will come in with an amended request to include $100,000 to get this survey underway on the basis of the emergency nature of it. Of course, the Committees of Public Works have authorized this survey project.

I ask that my statement, together with the statements of the delegation, be made part of the record.

Mr. CANNON. It will be included in the record.

(The statements referred to follow:)

Mr. Chairman, it is a pleasure for me to appear before this committee again and represent the people of the First District of Florida and to give to this committee a report on the progress and growth of the port of Tampa and the progress which has been accomplished on the Tampa Harbor project.

A few months ago we had the great pleasure of having two distinguished members of this committee, Michel J. Kirwan and Edwin P. Boland visit Tampa

for the purpose of inspecting work presently authorized on the Tampa Harbor project and the modifications of the Tampa Harbor project which would provide for still greater port improvements.

Together with many distinguished representatives of this area I had the pleasure of making this inspection trip and I know my distinguished colleagues were very favorably impressed by the Tampa Harbor project and by the growth of the port of Tampa.

The Tampa Harbor project is located in the First District of Florida and serves an area of Florida which has a population of approximately 1,700,000 people. My appearance today is for the purpose of reporting that the presently authorized Tampa Harbor project has been completed at a total cost, including the Hillsborough River, of $14,530,000. There is being requested this year the sum of $117,000 to complete payment of work which has been performed and accomplished.

This means that the approximately 50 miles of channel involved in this project has been completed to the authorized width and depth together with improved turning basins and channel bends.

As I have stated to the committee before, the port of Tampa continues to be a port of continued increasing importance. Hillsborough County Port Authority has stated that the tonnage passing through the port at the calendar year 1959 will be approximately $14 million. Nearly 3,500 vessels entered the port in 1959. The traffic and tonnage passing through the port of Tampa continues to show a steady growth. In the 5 years since 1954 the volume of port tonnage has increased over $4 million—an increase of approximately 40 percent.

In 1959 port tonnage increased approximately $1 million over 1958. I mention this to show that this is a growing, expanding port. It is to be anticipated that port growth will continue in the future.

I am most pleased and happy to report that the examiner of the Interstate Commerce Commission in his report on the *Tampa Import-Export Rate* case, recommended that the rail rate for import-export commodities to the port of Tampa should be at the gulf port rates unless those rates are lower than the south Atlantic rates at Jacksonville, in which event the higher of the two rates would be effective. In the final determination of this question the volume of traffic through the port of Tampa should be greatly increased.

I have heretofore submitted to your committee statistical information showing the tremendous growth of this port. The increase in customs duty, that Tampa continues as the fifth ranking port in the United States in coastal and export loadings. Millions of dollars have been spent in new and improved port facilities and over $1 million of industrial construction which has been completed or started since the commencement of work on this project in 1955.

I mention all of these factors in support of the request being made of this committee to appropriate $6,700 to supplement the funds appropriated in the current year for a survey report on the feasibility of modifying the Tampa Harbor authorization act to include the widening and deepening of Ybor channel to the project depth of 34 feet and to include the authorized project, Port Sutton channel.

In 1959 the House Public Works Committee, of which I am a member, adopted appropriate resolutions directing the Board of Engineers of Rivers and Harbors to review the reports of the Chief Engineer on Tampa Harbor project with the view to determining the feasibility of modifying the existing project to include the above-mentioned improvements.

Thereafter the Congress appropriated the sum of $27,000 for this survey report. In December 1959, it was determined that this amount of $27,000 was $6,700 less than was required for the accomplishment of this work. It is that $6,700 which is being requested today.

My distinguished colleagues, Representatives Kirwan and Boland, will recall that in our inspection tour of Ybor channel that many ships were then docked and they will also recall that the channel is completely built up with improvements on both sides of the channel.

As is pointed out in detail in the statement being filed with the committee by the Hillsborough County Port Authority, over 22 shipping companies regularly use this channel and 4 petroleum companies have oil terminals located on Ybor channel.

On petroleum alone it is estimated that by the time the sought after improvements can be made that over 1 million tons of petroleum will be transported over Ybor channel.

Computed on a basis of a 30 cents per ton average saving there would be a direct annual savings in excess of $400,000 annually on petroleum products alone. This would be the result of elimination of "light loading" and "split port" deliveries. Savings would also result from the large tonnage of bulk fertilizer materials which are handled at the large terminal facilities of Tampa Terminals, Inc. There are nine terminals located on Ybor channel which would benefit by a 34-foot channel.

I find it somewhat ironical that Ybor channel was not included in the Tampa Harbor project due to the fact that, in 1949 when the report of the Chief Engineers was submitted to the Congress, that the prospective usage of Ybor channel was not anticipated. For example: since that report was submitted all of the above-mentioned terminals have been constructed and Tampa terminals has been constructed. With an annual savings of over $400,000 per year the benefit of cost ratio to this project is fantastically high. It is respectfully submitted to the committee that we are speaking here of less than three-quarters of a mile of channel which has well over 1 million tons of traffic traveling over it. When this is considered in the light of the fact that $29 million of Federal and private funds have been expended in the development of the over 50 miles of channels in the Tampa Harbor project, economic necessity requires that this less than a quarter-mile of channel should be immediately improved.

I also desire to point out for the consideration of the committee that the present users of Ybor channel will be discriminatorily penalized. These shippers, terminal operators, and port users on Ybor channel are in direct competition with other companies which have the benefit of a 34-foot deep channel serving other parts of the port. All of these discriminatory positioned companies are taxpayers, are engaged in competitive business and industry and certainly entitled to fair treatment. I know that the committee will give our plea sympathetic consideration.

With respect to Port Sutton, a similar state of facts exists. When the present project document was submitted to the Congress in 1949 and embodied in the 1950 Rivers and Harbors Act, Port Sutton (or Black Point) had no industry or commercial usage. None was foreseen in the immediate future and it was for this reason that it was recommended that Black Point, or Point Sutton turning basin be not included in the authorized project. Since the appropriation and work on the currently authorized project were commenced in 1955 this picture has drastically changed. The Tampa Electric Co. has erected a huge generating plant, using coal, at a cost of $57 million. Over $600,000 was spent on similar channel and land improvements.

The Pan American Sulphur Co. has constructed a liquid and bulk storage facility and the Virginia Carolina Chemical Co. has constructed a phosphate loading facility at a cost of over $500,000. As a result, traffic over this Port Sutton channel and turning basin in 1960 will consist of 1½ million tons comprised of coal, sulfur, phosphate and rum.

This is a multiuser channel open to all navigation interests. The channel currently has a depth of 30 feet and has been constructed and maintained entirely with private funds.

Again, the attention of the committee is invited to the fact that the channel and turning basin here involved is only 3,150 feet in length. All of these factors establish the economic desirability of including Port Sutton channel and turning basin in a modification of the Tampa Harbor project.

I know that my colleagues on the committee share with me the tremendous pride in the accomplishment of the completion of the presently authorized Tampa Harbor project. It has meant a great deal to this growing area of Florida. I know that the committee, because of its acquaintance and knowledge of Tampa Harbor and the area which it serves, will give every fair consideration to the request for appropriations which we have made today.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 12, 1960.

Re Appropriation for flood control survey of Hillsborough, Withlacoochee, Peace, and Oklawaha Rivers.

Hon. CLARENCE CANNON,
Chairman, House Committee on Appropriations,
Subcommittee on Public Works,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: It appears to be unanimously agreed by all the governing authorities involved in the area that the joint study of the four river basin area should be undertaken immediately at an estimated cost by the U.S. Army Engineers of $100,000, including the Hillsborough, Withlacoochee, Peace, and Oklawaha Rivers Basins. Each of these river surveys has been authorized by the Public Works Committee of the House and/or the Senate. The Army Engineers recommend this approach and, it is my understanding, have made a supplemental request to include this survey project in the fiscal 1961 budget. The President's budget did not contain a recommendation, according to the Engineers, principally because resolutions concerning all four of the river basins authorizing surveys were not approved by the Public Works Committee soon enough for the Engineers to consider them and make presentations on them for inclusion in the 1961 budget.

The President, of course, declared the area involved as a national disaster relief area by proclamation on March 23, 1960, and all governing authorities are apparently unanimous in their support of this $100,000 four-river basin flood control survey approach.

This 1960 disaster is a second occurrence of the serious flooding conditions in the last year, the previous flood taking place in March through October of 1959. It is apparent that recurrent and highly costly damages will continue to take place unless a long-range plan program for flood control is evolved. The emergency need for such protection, I believe, fully justifies immediate action by your subcommittee, a position which I believe is concurred in by the U.S. Army Engineers who have advised that they have the necessary personnel to carry on this survey for fiscal 1961.

The enclosed information is in further support of this urgent request.

Respectfully submitted,

WILLIAM C. CRAMER,
Member of Congress.

Enclosures:

1. Joint Florida delegation letter in support of this request.
2. Congressman Cramer's letter requesting approval of Army Engineers.
3. U.S. Army Engineers' letters and statement in support of the request.
4. Newspaper accounts of 1959 flooding conditions.
5. Newspaper accounts of 1960 flooding conditions.

MARCH 28, 1960.

Re appropriation for flood control survey of Hillsborough, Withlacoochee, Peace, and Oklawaha Rivers.

Hon. CLARENCE CANNON,
Chairman, Appropriations Committee,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: As we are sure you are aware, some 14 counties in Florida have recently suffered severe damage from flooding conditions, so much so that the President has issued a disaster relief proclamation pursuant to Public Law 875.

A large portion of this flooded area is included in the four-river area of the Hillsborough, Withlacoochee, Peace, and Oklawaha Rivers. Survey resolutions for flood control purposes have been authorized by the Public Works Committees as follows:

Stream and authority for survey:

Oklawaha River, House Public Works Committee resolution, August 14, 1959, and two prior authorizations;

Hillsborough River, House Public Works Committee resolution, August 14, 1959;

Peace River, Senate Public Works Committee resolution, May 4, 1959;
Withlacoochee River, House Public Works Committee resolution, August 14, 1959, and four prior authorizations;

and the Army Engineers have estimated the cost of such surveys to be $100,000 as you will see by the enclosed correspondence.

Because of the emergency nature of this matter and the millions of dollars of damage done, estimated by the Engineers to possibly exceed $20 million, which, no doubt, is partially attributable to the overflow of these rivers at the present time, we believe it fully justifies favorable consideration by your committee to include $100,000 in this year's budget to accomplish this survey.

It is our understanding that the Oklawaha Authority, the Peace River Board, and the governing authorities in the Withlacoochee and Hillsborough areas are wholly in accord with this four-basin study request and likewise have emphasized the absolute necessity for the commencement of this survey. Planning and programing by local, State, and Federal authorities for the control of overflowing water in the area is dependent upon the development of this comprehensive study.

We urge that your committee give favorable consideration to this most urgent request.

Respectfully submitted.

WILLIAM C. CRAMER,
Member of Congress, First District, Florida.
CHARLES E. BENNETT,
Member of Congress, Second District, Florida.
ROBERT L. F. SIKES,
Member of Congress, Third District, Florida.
DANTE B. FASCELL,
Member of Congress, Fourth District, Florida.
A. SYDNEY HERLONG, JR.,
Member of Congress, Fifth District, Florida.
PAUL G. ROGERS,
Member of Congress, Sixth District, Florida.
JAMES A. HALEY,
Member of Congress, Seventh District, Florida.
DONALD R. (BILLY) MATTHEWS,
Member of Congress, Eighth District, Florida.

STATEMENT OF SHERIFF EDWARD BLACKBURN

Mr. CRAMER. Mr. Chairman, I have present on this matter Sheriff Blackburn, who was the local law-enforcement authority in charge of the disaster relief program in the area. The President declared it a disaster relief area by proclamation on March 23, 1960, as a result of the flood. The sheriff was in charge at the time. If the chairman will permit him a brief period to make his statement——

Mr. CANNON. We will be glad to hear you, Sheriff.

Mr. BLACKBURN. Thank you, Mr. Chairman. I have a short statement I would like to place in the record, if I may.

Mr. CANNON. It will be included in the record at this point.

Mr. BLACKBURN. Shall I read it or just present it?

Mr. CANNON. If you care to comment on it, you may do so.

Mr. BLACKBURN. It is very brief.

As sheriff of Hillsborough County, Fla., I was coordinator of the disaster forces during the March flood in Hillsborough County. I would like to endorse and support the request of our Florida delegation for an appropriation of $100,000 to the U.S. Army Corps of Engineers to make a study of flood control and water conservation needs in the river basins embraced by the recent flood in central Florida and the west coast of Florida.

Because of unprecedented rainfall following an especially wet season just a few months earlier, a large section of Hillsborough County was inundated and some 2,000 families were forced to flee their homes because of the high water. Damage done by these waters has been conservatively estimated at not less than $6 million—and probably considerably more—in Hillsborough County alone.

The severity of the flood was no doubt enhanced by the dynamic increase in our population over the period embraced by just the last few years. It has been rather authoritatively predicted that our population will continue to expand at a continually increasing pace. Inasmuch as there are a number of Florida counties affected by the different watersheds in the disaster areas, it would seem that only a study made at the Federal level would be sufficient to serve the needs now at hand and to eliminate the danger that the future promises.

I respectfully request that this statement be made a part of the hearing record and given the serious consideration of your committee.

Mr. CANNON. Congressman Cramer.

Mr. CRAMER. I have a series of seven wires concerning this from organizations of people who were affected by the flood. I would like to have them made part of the record.

Mr. CANNON. They will be included in the record.

(The telegrams referred to follow:)

TAMPA, FLA., *April 11, 1960.*

CLARENCE CANNON,
Care of William Cramer, Suite 1421, New House Office Building, Washington, D.C.:

All efforts you are able to exert on our behalf concerning the flood control in this area will be appreciated.

ROGERS, *7320 Ola Avenue.*
ERICKSON, *7318 Ola Avenue.*
APPLEBY, *7504 Ola Avenue.*

TAMPA, FLA., *April 11, 1960.*

CLARENCE CANNON,
Chairman of Appropriations, U.S. House of Representatives, Washington, D.C.:

I have in my possession a petition bearing 732 signatures of persons who received damage by the flood of the Hillsborough River last month. We strongly urge you to authorize funds to prevent future disasters on the Hillsborough River.

B. C. CURTISS.

TAMPA, FLA., *April 10, 1960.*

Congressman WILLIAM C. CRAMER,
New House Office Building, Washington, D.C.

DEAR CONGRESSMAN CRAMER: Our thought and prayers are with you as you appear before the Public Works subcommittee to request the $100,000 survey fund. We know our fate is in capable hands and your every effort will be for the flood weary people of the Hillsborough River.

Sincerely,

JACK AND KAY FERNANDEZ.

TAMPA, FLA., *April 11, 1960.*

CLARENCE CANNON,
New House Office Building, Washington, D.C.:

Your efforts in obtaining a flood control program in this area are needed and greatly appreciated.

MR. AND MRS. CHARLES H. HAENEL.

TAMPA, FLA., *April 11, 1960.*

CLARENCE CANNON,
Chairman of Appropriations,
U.S. House of Representatives, Washington, D.C.:

The North Tampa Chamber of Commerce with its 150 members urgently request you authorize funds to prevent future flooding conditions on the Hillsborough River.

H. G. CURTISS, *President.*

TAMPA, FLA., *April 12, 1960.*

Hon. WILLIAM C. CRAMER,
U.S. House of Representatives, Washington, D.C.:

Requesting help for Federal aid for flood victims.

MR. AND MRS. TOM JEFFORDS.

TAMPA, FLA., *April 11, 1960.*

CLARENCE CANNON,
New House Office Building, Washington, D.C.:

We request your assistance in obtaining all possible Federal aid in giving us permanent flood control on the Hillsborough River. We have suffered great damage by recent floods.

C. M. GRIFFITH.

Mr. CRAMER. I also have Norman Brown, who has a brochure to present to the committee, on Tampa Harbor. The amount of $117,000 is required to finish the project this year.

I want to express the appreciation of the people of this area of Florida for the help of this committee. I hope all of you get a chance to visit this area—$14,530,000 has been put into it. Congressmen Boland and Kirwan were kind enough to visit us last year. I think they, too, see the importance of this to this area. This request is for $117,000 in order to complete the project and $6,700 to complete two surveys of other streams in the immediate area, to bring it up to the same standard. I ask permission to file the statement.

Mr. CANNON. It will be filed at this point.

Mr. CRAMER. Mr. Norman Brown.

Mr. CANNON. Mr. Brown.

STATEMENT OF MR. NORMAN BROWN

Mr. BROWN. Mr. Chairman, on behalf of the communities that our harbor serves, approximately one and a half million people, I want to thank you gentlemen, as we have done now for 6 years, I think. You have appropriated generously $14.5 million to complete the presently authorized projects.

However, our community has grown tremendously. At the time our present project was authorized, that was not foreseen by anybody. Our commerce through our port this year will exceed 14 million tons, very conservatively, nearly three times what was estimated in the project document of 1949 on which the current authorization act was based.

Next year we will be back before you, but we hope you will join Congressman Kirwan and Congressman Boland, who came down and joined our Congressmen here to see our problems and to appreciate them. They are quite tremendous.

I would like on behalf of our community to file three documents in the record: one on behalf of the Hillsborough County Port Authority

in support of the $117,000 to complete the currently authorized project, which has already been spent—this is just to pay the bill; secondly, a supplemental bill of $6,700 for Ybor channel and Port Sutton channel and turning basin.

Mr. CANNON. It will be included in the record. We cannot include, of course, any photographs or maps.

(The documents referred to follow:)

INTRODUCTION

The Florida communities served by Tampa Harbor and the Hillsborough County Port Authority, the governmental body charged with the promotion and development of the port of Tampa, have great cause to celebrate the year of 1960. The Tampa Harbor project as presently authorized was then completed. This committee and the Congress have done untold good to this fabulously growing area of Florida in the completion of the project as presently authorized.

However, for over 5 years we have been appearing before your committee seeking the appropriation of funds for the Tampa Harbor project.

As justification for the favorable action of this committee forecasts of the current trend of the port of Tampa and the area which it serves have been made to you. These have been, we believe, demonstrated to be on the conservative side. For example:

The estimates of the growth of port tonnage, industrial and commercial utilization of the port, and the increase in new industry, and the addition of port facilities submitted to you in July 1955, have been very substantially exceeded by the actual happening of events. This fact is emphasized to you so that you may understand that the Tampa Harbor project as authorized in 1949, due to the increased port utilization needs again to be modified by appropriate amendment. It is for that reason that funds are being requested for the year 1960–61 to supplement the port survey funds heretofore appropriated which would seek the inclusion of Ybor channel and Black Point channel and turning basin in the authorization.

PART 1. COMPLETION OF TAMPA HARBOR PROJECT

I. CURRENT STATUS OF PROJECT

The current authorized Tampa Harbor project has been completed at a total cost of $14,554,000.

The Tampa Harbor authorization act generally authorizes deepening approximately 54 miles of main ship channels to a minimum depth of 34 feet and widening the channels from a minimum existing width of 300 feet to a minimum width of 400 feet. (See H. Doc. 268, 81st Cong., 2d sess.) This project embraced Egmont Bar channel and Mullet Key Cut and Hillsboro channels; Port Tampa channel and turning basin; Sparkman channel and Ybor Turning Basin; and Alafia River and turning basin.

Remaining to be completed in the 1960 fiscal year were Port Tampa channel and turning basin and Alafia River and turning basin. Both of these were completed and the funds sought this year are merely to pay for work which has been done.

II. REQUESTED FOR 1960–61

Appropriation of $117,000 to pay for the completed work on Alafia River channel and turning basin. This completes all of the authorized Tampa Harbor work which was done at a total cost of $14,220,000, which was less than the estimated total cost. It was also performed and completed, the Hillsboro River channel work in the amount of $334,000.

PART 2. SUPPLEMENTAL SURVEY REPORT FUNDS FOR YBOR CHANNEL AND BLACK POINT CHANNEL

I

1. Improvement sought

Modification of the Tampa Harbor authorization act to include widening and deepening of Ybor channel project. Width and depth and inclusion of Port Sutton channel for maintainence purposes only.

The port authority has heretofore appeared before your committee to obtain survey report funds looking to the amendment of the existing Tampa Harbor authorization act which would permit accomplishment of the following harbor improvements:

(1) Modification of the act to provide for the deepening of Ybor channel from 30 feet below mean low water to 34 feet; and

(2) The inclusion of Black Point channel and turning basin (Port Sutton) in the authorized project for the purpose of Federal maintenance.

II. CURRENT STATUS OF REQUESTED IMPROVEMENTS

1. The reason these channels were excluded from the 1950 authorization act

In 1948 and 1949 when the survey report was made which led to enactment of the present Tampa Harbor authorization act there was less than 5 million tons of traffic through the port of Tampa. Today, there is 14 million tons. At the time of enactment of the Tampa Harbor authorization act Ybor channel and Port Sutton channel were omitted due to an error in conservatism in estimating the growth and use of these two channels. This is sharply pointed up by these factors:

The project document issued in 1949 estimated that the 1960 prospective commerce of the port of Tampa to be 5,225,000 tons (H. Doc. 258, 81st Cong., 1st sess., par. 102). An actuality tonnage for 1960 would be approximately 14 million tons. Again, this conservative estimate of prospective port use led to this determination in 1949 as to Ybor channel:

"Some need might be cited for the deepening of the southern part of Ybor channel. However, the large amount of costly rock excavation required precludes deepening at this time, also use of the channel by larger ships, particularly large tankers, is increasing.

The cost of further improvement of the upper harbor channels is not commensurate with probable benefits therefrom" (Doc. 128, par. 159, 160).

With respect to Port Sutton channel, i.e. (Black Point) it was found that there was no project for the use of the channel and for this reason excluded the same from the Tampa Harbor project in these words:

"It is highly probable that the Black Point area will develop in the future for industrial uses. The Atlantic Coast Line Railroad has recently purchased an 800-acre tract on Hillsborough Bay south of Black Point and north of Alafia River and is advertising it for industrial sites. Eventually, continued growth of Tampa Harbor in keeping with development of the tributary area may justify channel development at Black Point but such problematical future benefits do not justify present expenditure of public funds."

2. Recent congressional action on Ybor channel and Port Sutton channel

In the last fiscal year necessary resolutions were passed by the Committee on Public Works of the U.S. Senate and the House of Representatives, authorizing and requesting the Board of Engineers of Rivers and Harbors to review these two projects to determine whether the same should be modified to include Ybor channel for deepening and widening and Port Sutton channel for maintenance in the authorized project (resolutions adopted November 18, 1958, January 5, 1959, and April 15, 1959). Thereafter, the funds deemed necessary to make the requested survey report were included in appropriations for the fiscal year ending June 30, 1960.

In 1959, the port authority was advised that the appropriated funds in the amount of $27,000 were $6,700 less than the amount required for the completion of this survey report.

On January 27, 1960, Jacksonville district, Corps of Engineers, held a public hearing on this matter at Tampa, Fla. Numerous witnesses were heard, all of whom were favorable and no objections were made, or filed, in that hearing.

III. JUSTIFICATION OF APPROPRIATION

1. Direct annual benefits of over $400,000 per year

Ybor channel.—The volume of traffic over Ybor channel is large and substantial, both in general cargo and in petroleum products.

Since 1950, the land on both sides of Ybor channel has become fully developed with the exception of two or three small parcels of land, which is owned by present users of the channel and is being held in reserve for future expansion.

A partial list of the shipping companies which regularly use Ybor channel is as follows:

Holland American Line	Dodero Line
Hamburg American Line	Royal Netherlands Line
North German Lloyd Line	Blue Funnel Line
Swedish American Line	Java New York Line
West Coast Line	Java Pacific Line
Mexican Line	Waterman Line
Alcoa Steamship Line	Nedlloyd Line
Insco Steamship Co.	Bank Line
Swannee Steamship Co.	Zim Israel America Lines
Pan-Atlantic Steamship Corp.	American Defense Line
Chilean Line	Coldemar Line

The following companies have terminals located on Ybor channel and transport petroleum products over Ybor channel:

American Bitumuls & Asphalt Co.	The Texas Co.
Republic Oil Co.	Sun Oil Co.

Based upon estimates obtained from these firms it is anticipated that more than one million (1,000,000) tons of petroleum products will be transported annually into Ybor channel. If Ybor channel is deepened to fully accommodate T-2 and larger tankers, annual savings in excess of $400,000 will be realized. (This saving is predicated on an estimated average saving of 30 cents per short ton for all cargoes being handled over the channel at that time.)

Upon statistical information now available, the port authority has been unable to fix a monetary value upon the economic penalties or losses being suffered by passenger and general cargo vessels using Ybor channel, however, for example, the MS *Italia* has regularly scheduled arrivals. This vessel docks at the Gulf Florida Terminal dock which is less than 30 feet of water and as the MS *Italia* has a maximum draft of 31 feet 6 inches, it is obvious that an economic penalty is being incurred as this vessel must come in light loaded.

Tampa Terminals, Inc., has comparatively new terminal facilities for handling large tonnage of bulk fertilizer materials. Vessels requiring a 34-foot draft have been prevented from loading or discharging at these terminals. The deepening of Ybor channel to the project depth of 34 feet will provide a greater economic utilization of the terminal facilities and the existing Tampa Harbor channels which represent to date an expenditure of Federal and private funds of approximately $29 million.

In summary the following terminals located on Ybor channel would be benefited by a 34-foot channel:

Gulf Florida Terminal, Inc.
City Docks and Terminals
Tampa Terminals, Inc.
Blue Stack Towing Co.
Phillips Petroleum Co.
American Bitumuls & Asphalt Co.
Republic Oil
Texas Co.

not to mention the various water carriers other than those specified who also utilize these terminals.

Further the trend in vessel construction to larger type vessels mandates the immediate improvement of this channel to the project depth of 34 feet. As set forth in the statement of the American Merchant Marine Institute filed with you today, new and recent tanker construction involves ships ranging from 26,000 to over 104,000 deadweight tons and dimensions up to 950 foot overall length, 135 foot span and draft up to 34 feet.

For dry cargo vessels, the Maritime Administration recently commenced construction of a new Mariner class vessel of 14,000 deadweight tons; overall length 563 feet 8 inches and draft 31 feet 6 inches. These construction programs

mark the trends in the size of dry-cargo vessels and will continue on an accelerated schedule in future years.

It is respectfully submitted to the committee that there are two basic factors worthy of the consideration of the committee:

1. With over 50 miles of channel dredged to the project width and depth, representing an expenditure of approximately $29 million, it seems apparent that it would be economic folly to fail to improve Ybor channel which involves approximately 0.738 mile. Particularly is this so when there is a pressing present need for the improvement involving the existing number of ship movements per year requiring more than the present control depth of 30 feet.

The direct annual benefit to be obtained of approximately $400,000 will give this project an exceptionally high benefit to cost ratio which amply demonstrates the immediate need for this project.

2. It is respectfully submitted that the present users of Ybor channel are being discriminatorily penalized. Other shippers and port users in similar positions and in competition with the users of Ybor channel have the benefit of a 34-foot depth. All of these users are taxpayers and are engaged in competitive business and industry.

The port authority submits that under the criteria and policy of the executive department of the Federal Government and of the Congress that failure to improve Ybor channel immediately is a quiescent endorsement of a policy that the Federal Government is going to favor discriminatorily one competitor taxpayer at the expense of another. It is submitted that in fairness and equity such a situation would be intolerable and that this in itself justifies the immediate undertaking of this project.

Port Sutton.—Port Sutton channel and turning basin extends easterly from Cut C to Hillsboro channel, a distance of 3,150 feet. The turning basin is of a triangular design 850 feet by 850 feet by 950 feet. The controlling depth of the channel and turning basin is 30 feet.

As stated before, this channel was originally omitted from the 1950 authorization act as it could not then be foreseen the tremendous activity that would occur at this terminal and industrial area. The development here has occurred since the start of work on the Tampa Harbor project recently completed. It involves tremendous industrial expenditures and has created a large use for this channel. Tampa Electric Co. alone has spent $600,000 on bare land improvements and channel improvements and in addition it has spent approximately $57 million on its generating plant at this location. Tampa Electric has scheduled, for construction, with completion at about 1963, an additional $25 million improvement in the generating plant.

The Virginia Carolina Chemical Co. is now completing a new phosphate terminal at a cost of $500,000. Tampa Electric and Virginia Carolina have purchased and converted the SS *Martha-Mac* to a bulk carrier. This vessel is scheduled to deliver inbound: sulfur over 920,000 tons per annum and export phosphate in approximately 540,000 tons, a total tonnage from this single improvement alone of over 1½ million tons per year. (This is set forth in detail with statement of Tampa Electric and Port Sutton, Inc. filed with your committee today.)

Moreover, Pan American Sulphur Co., of Houston, Tex., has recently erected facilities for the storage of bulk sulfur and liquid sulfur and these shipments have commenced upon irregularly scheduled basis.

Port Sutton is also the location of the lumber terminal, Cilco of Tampa, Inc. It is to be emphasized that the improvement of Port Sutton has been done entirely with private funds and that maintenance has been done entirely by private funds. During this course of time Port Sutton has become a multiple user channel of great importance in the community. It will have an annual volume of traffic of over 1½ million tons. Its continued growth seems apparent. It is respectfully submitted that the supplemental appropriation of $6,700 to complete the survey report are funds amply justified.

When it is realized that there is only involved here 3,150 feet of channel, a total project comprised of over 50 miles of channel, that the project should go forward without delay. One fact is clear. Had the volume of traffic and use of this channel which exists today been an actuality in 1949 the project document would have included the Port Sutton and Tampa Harbor turning basin in the Tampa Harbor project.

The Hillsborough County Port Authority requests that this oversight be now corrected and that the review report be undertaken immediately so that the results thereof may be submitted to the next Congress.

Respectfully submitted.

HILLSBOROUGH COUNTY PORT AUTHORITY,
NORMAN S. BROWN, *Counsel.*
JAMES L. FERMAN, *Chairman.*
JAMES M. INGRAM, *Vice Chairman.*
W. J. BARRITT, Jr., *Secretary-Treasurer.*
JACK P. FITZGERALD, *Manager.*
P. O. LEBLANC, *Member.*
OLE P. ERICKSON, *Member.*
J. B. COLBERT, *Member.*

Mr. BROWN. I would also like to include the statement of the American Merchant Marine Institute.

I would also like to include the statement of the Tampa Electric Co. and Port Sutton, which I would like to have permission to submit tomorrow.

INTRACOASTAL WATERWAY, FLORIDA

Mr. CRAMER. I have one other statement I would like to have included in the record, with regard to the Intracoastal Waterway, which passes through my district. On this there is $2 million recommended by the President and by the Bureau of the Budget this year.

Mr. CANNON. That statement will be made part of the record.

(Mr. Cramer's prepared statement follows:)

Mr. Chairman, I want to make a further brief statement in behalf of appropriations for the continuation of construction of the Intracoastal Waterway in Florida, from the Caloosahatchee River to the Anclote River, during the next Federal fiscal year.

As you know, funds for the start of construction were appropriated by the Congress in 1959 to the greater encouragement of local taxpayers who are anxious to see the culmination of the joint Federal-local cooperative effort; and the Corps of Engineers has reported that it will be able to use economically $2 million for the continuance of construction during the next fiscal year.

The Florida Legislature created the West Coast Inland Navigation District in 1947 to coordinate requirements of local cooperation for this project; and has extended the taxing panel of this district until 1969 or the completion of the project, whichever is earlier, to insure full cooperation and participation by the combined local interest of Hillsborough, Pinellas, Manatee, Sarasota, Charlotte, and Lee Counties in the completion of this project, and these local interests in the last 13 years have contributed over $1,700,000 in local taxes to meet local commitments and will continue to contribute at an increased rate. Studies have determined that the project is economically feasible and that it is in the best interest of the citizens in the fast-growing and developing area involved.

Further studies confirm that the continuation of this project is economically feasible and in the best interests of the State of Florida, and of the U.S. commerce generally to have an inland waterway connecting the great port of Tampa to the already established waterway system of the eastern United States; and, of course, this waterway will provide a haven during tropical storms for the resident, and transient pleasure craft and commercial fishing boats, both contributory to the stable economy of the area. Delivery of heavy materials at more favorable rates and service for greater economy in the building of homes and business operations will be expedited by the completion of this project.

I would therefore request that this committee approve the request for $2 million as found by the Corps of Engineers may be expended economically for the continuance of construction of the Intercoastal Waterway, from the termination of the existing Okeechobee Waterway at the mouth of the Caloosahatchee River to the Anclote River, Fla., and that such additional funds be provided from time to time thereafter as may be needed to pursue this project expeditiously to completion.

TUESDAY, APRIL 12, 1960.

OPPOSITION TO INTRACOASTAL WATERWAY, CALOOSAHATCHIE RIVER TO ANCLOTE RIVER

WITNESS

SMYTH D. BROHARD, MAYOR, CITY OF VENICE, FLA.

Mr. CANNON. We will hear from Mr. Brohard, mayor of Venice, Fla.

Mr. BROHARD. Mr. Chairman and gentlemen of the committee, before I proceed with my statement I would like to pass out a couple of maps here which show the city of Venice and how we are affected by this proposed alternate C–1 route of the west coast Intracoastal Canal.

Mr. CANNON. Mr. Mayor, I believe you appear in opposition to the Intracoastal Waterway on the Caloosahatchie River?

Mr. BROHARD. To the Anclote River.

Mr. CANNON. You may proceed.

Mr. BROHARD. Mr. Chairman and members of the committee, I am Smyth D. Brohard, mayor of the city of Venice, Fla. I am appearing here today, April 12, 1960, before the Appropriations Committee (Public Works) of the House of Representatives of the 86th Congress by authority of the City Council of Venice to protest the appropriation of any money to construct a canal through the city of Venice as proposed by the West Coast Inland Navigational District.

Venice's geographic location is unique. We are one of the two cities in Florida which is directly on the Gulf of Mexico and at the same time on the mainland of Florida. The Tamiami Trail passes through our city only seven blocks from our gulf beach with no bridges or bays to cross in order to get to the beach. Our elevation is high for coastal areas in Florida. These factors influenced the Brotherhood of Locomotive Engineers in selecting the site for their planned city back in the midtwenties. They hired an outstanding city planner to lay out an ideally designed city from scratch. This beautiful, well planned city is now Venice. We have wide streets, majestic boulevards, and beautiful parkways. We have over a mile of public beaches.

We are a fast growing little city. Our population and business activity has tripled in the last 10 years. Our trading area encompasses some 20,000 to 25,000 people. Venice is in the center of a fast growing area in south Sarasota County which has tremendous potential. The citizens of Venice as well as the present city administration feel that we are destined to become, due to our beaches and other facilities, the recreational and cultural center for a large area and a large population. Of course, in order to provide recreational and cultural facilities, we must maintain the city as the economic and business center of the same area. Venice is planning ahead. We have three new fine schools, a new modern fire station and jail, a beautiful new city hall, and I was in New York last week signing the last of the bonds in a $2 million issue which provides funds to build a sanitary sewer system and repaving of our streets. Two million

dollars is a sizable obligation to assume by a city whose assessed valuation is in the neighborhood of $13 million.

The city of Venice is planning ahead and we have confidence in our future. But we are deeply disturbed over the possibility of digging a canal which would cut our city in two and isolate the business section by making it an island. A quick look at the map I shall leave here makes it apparent how ridiculous the plan is. We would have only one entrance to the city from the east.

We are a tourist and retirement community and have no industry. The Tamiami Trail, U.S. 41, is our economic lifeline. It provides the flow of tourists which feeds our economy. The construction of the inland route of the canal definitely threatens the retention of U.S. 41 in its present location. I cannot conceive that the Florida State Road Board would go along with drawbridges on this heavily traveled highway. A high level bridge would be a possibility on the highway south of the city, but at the northern approach the space available would necessitate a low drawbridge.

The West Coast Inland Navigational District Board has assured the city of Venice that they will build the bridge across the canal at Venice Avenue and relocate the utilities which would be disrupted by the digging of the canal. The canal board has been levying taxes in six counties for over 10 years and at this time has only approximately $800,000 in its treasury. This amount is barely enough to build the one bridge at Venice Avenue. The canal board has many other bridges to build in Sarasota County alone as well as additional rights-of-way to acquire.

Assuming that the canal district does come up with enough money to fulfill their commitments to the city of Venice, the creation of the canal would saddle the taxpayers of Venice with expensive burdens from now on: Such things as bridge maintenance, bridge tenders, the maintenance of duplicate firefighting and police facilities, are all expensive items in the budget of a small community. The proposed canal would make future east-west extensions of our utilities and streets almost prohibitively expensive.

Our water department is gravely concerned about what would happen to our water supply. One of our chief well fields lies along Seaboard Avenue just about 300 feet from the proposed canal. It is feared that bringing salt water that close to our water supply would bring about salt infiltration into our wells. As water is pumped from the ground in our shallow wells, it is highly possible that the salt water would seep through and ruin the water supply in that field.

Venice has an excellent airport right in the city. We consider the airport as one of our greatest assets. The construction of the canal along the proposed inland route would create a hazard for aircraft using the field. Not too long ago an Air Force jet made an emergency landing at the field, the pilot walked away and the plane was salvaged. Had the canal been there at the time, the plane and the pilot would have been in it when he overshot the runway. The construction of the canal would forever make it impossible to lengthen our runways to accommodate faster aircraft. As it is now we have ample room to lengthen two of our runways to meet future needs for more and better air service.

In view of these factors I feel and the city council feels that the construction of the canal along the inland route through Venice seriously threatens the future of the city of Venice. We are not opposing the Gulf Intracoastal Waterway project, but self-preservation forces us to oppose the construction of the proposed route through Venice. The city of Venice has tried to cooperate with the canal board over the last several years. Members of the canal board have told us, "We realize you have problems, but go along with us until we get our appropriation and then seek to get a change in the route at Venice." We have gone along even to the extent of giving them a considerable amount of right-of-way through city-owned property, but the time has come when we must look out for our own interests.

The city of Venice proposed that instead of digging an expensive canal through Venice, a new jetty at the head of Lemon Bay be constructed and that boats run outside for a distance of about 3 miles and back inside at the Venice jetties. This plan would save the Federal and local governments several millions of dollars. Boats traveling the East Coast Waterway as well as the Gulf Waterway at the present time have to cross many miles of unprotected water.

The suggestion for the second jetty at the head of Lemon Bay and boats going outside to the Venice Inlet was first brought up at hearings in 1947 and 1948 and has been brought up at every hearing since that time. In the past, each time the Army Engineers stated that the outside route could not be used because it was principally an inland waterway for barges and the long heavy cumbersome barges that would use the waterway could not make the sharp turns going in and out of the jetties. Thus, the outside route was not pursued because it was to be a barge canal.

However, in December of 1959, the Army Engineers had completed their economic survey and feasibility study of the waterway and determined that barge traffic would be negligible. The principal economic justification for the Inland Waterway today, April 12, 1960, according to the Army Engineers own report and study is for recreational boating. This changes the entire picture and is one of the key points that caused the city of Venice to again request the outside route. The city of Venice is not capriciously changing its mind as to the location but has, at all times, worked with the Army Engineers who have furnished the estimates, the engineering and the only information on which the city could base their judgment.

It is the Army Engineers own economic study and feasibility report which estimates that the total average benefit for all barges will only be $171,500 while the benefit for recreational boating and the reduction of damage to recreational boats amounts to $866,000.

Recreational boats are daily going in and out of the Venice jetties and can go in and out of a second jetty at Red Lake without any difficulty. Thus, the city of Venice is thoroughly justified in asking for the outside route and second jetty; not only to avoid making an

island of the city of Venice, but in order to effect a savings of millions of dollars by the various governmental entities involved. Why should a barge canal be built to serve recreational boating? The excuse has been offered that at sometime in the future a barge canal might be necessary.

The West Coast Navigation District has paid approximately $200,000 for right-of-way in the Venice area. If in 20 years there is a need to consider construction of a waterway through Venice for barges then is the time to consider it—not now.

The mayor and the entire council of the city of Venice respectfully request that no appropriation be made available at this time for the construction of that portion of the Gulf Intracoastal Waterway which goes inland at Venice, makes a deep cut, divides our fair city, and creates so many problems for our citizens.

Thank you.

Mr. CANNON. I have had the pleasure of visiting in Venice, which is a delightful community. It has a beautiful sandy beach.

What is the extent of the opposition to this project? Is it general or is it localized?

Mr. BROHARD. The only opposition is localized, right in the Venice area, because we are disturbed about what the cut will do to our city. I believe the people in the balance of the district are heartily in favor of the project.

Mr. CANNON. You do not oppose the project as a whole but you merely oppose the location of it; is that right?

Mr. BROHARD. I merely oppose its routing through the city of Venice.

Mr. CANNON. You speak of the recreational boating. If the recreational boating were taken out, what is the remaining cost-benefit ratio?

Mr. BROHARD. I believe the ratio was 1.5 overall. Recreational boating, I believe I said, was 800-some-thousand against 177. That would be about one-fifth of it, about .3.

Mr. CANNON. According to the estimates of the committee here, if the recreational feature were taken out of it, the benefit ratio is only 0.25 to 1.

Mr. BROHARD. Yes, that is about what I would get figuring it quickly.

Mr. CANNON. In other words, it is only a quarter of one to one. It could not possibly be justified on that basis.

Are there any others who desire to be heard in connection with your testimony?

Mr. BROHARD. No; I am here alone.

Mr. CANNON. You are here officially representing your city government?

Mr. BROHARD. Yes, I am representing the city officially. I have a letter here as such which I will file with the clerk.

Mr. CANNON. Thank you.

TUESDAY, APRIL 12, 1960.

CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL PROJECT, PORT EVERGLADES, EAST COAST WATERWAY, BEACH EROSION SURVEY

WITNESSES

HON. PAUL G. ROGERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. A. S. HERLONG, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. DANTE B. FASCELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. JAMES A. HALEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
JEFFERSON DAVIS, CHAIRMAN OF GOVERNING BOARD, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
HERBERT C. GEE, CONSULTING ENGINEER
WALTER WEISS, COMMISSIONER METROPOLITAN GOVERNMENT, DADE COUNTY, FLA.
R. T. SPANGLER, PORT MANAGER OF PORT EVERGLADES, FLA.
RILEY MILES, BOARD MEMBER, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
WILLIAM HITT, BOARD MEMBER, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
DAVE CLICK, BOARD MEMBER, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
BRIAN McCARTY, BOARD MEMBER, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
ED DAIL, EXECUTIVE DIRECTOR, CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL DISTRICT
GLEASON STAMBAUGH
COL. HERMAN SCHULL
H. H. BUCKMAN, ENGINEERING COUNSEL FOR THE CANAL AUTHORITY OF THE STATE OF FLORIDA

Mr. CANNON. Congressman Rogers of Florida.

Mr. ROGERS. Mr. Chairman and members of the committee, we have a number of projects to be presented. I would like to obtain permission of the Chair to file various statements as we go along.

Mr. CANNON. They will be included.

Mr. ROGERS. First of all, Mr. Chairman, we would like to call to the committee's attention the request for appropriation for the Central and Southern Florida Flood Control District. There is a budget item of $10 million. We are hopeful the committee would consider increasing this. However, we do hope the committee will adhere at least to the budget item of $10 million.

It has a benefit-to-cost ratio overall of 3.8 to 1. Actually there have already been initial savings in this project of approximately $52 million, even though the project is only 20 percent complete.

I am filing this statement also in behalf of Congressman Fascell, who would have been here except for the death of his father. His administrative assistant is here.

Mr. CANNON. It will be made a part of the record.

(The statement referred to follows:)

STATEMENT BY MEMBERS OF THE FLORIDA DELEGATION IN THE HOUSE OF REPRESENTATIVES IN SUPPORT OF THE $10 MILLION REQUESTED IN THE 1961 BUDGET FOR FURTHER CONSTRUCTION AND DEVELOPMENT OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL PROJECT

Mr. Chairman and distinguished members of the committee, the undersigned, members of the Florida delegation in the House of Representatives, request the approval of the committee of the $10 million included in this year's budget for the central and southern Florida flood control project and point out for the consideration of the committee that considerably more, as requested by the flood control district, can be effectively and beneficially utilized.

This project embraces an area of nearly 16,000 square miles in central and southern Florida where devastating floods in 1947 wrought damages in excess of $59 million with the result that the Congress authorized Federal participation in the project with the flood control district as the responsible agency for local cooperation. First work began in 1950 and to date, estimated benefits derived from operation of works completed show a saving of approximately $52 million in flood damages prevented—despite the fact that the overall project is only 20 percent completed. It is presently estimated that annual benefits from completed project works will total $54,788,500.

Last month, devastating floods within the northern portion of the flood control district and in areas outside the district caused an estimated $50 million in damages and disrupted the lives and economic security of approximately 5,000 persons. The intensity of the flooding prompted the President to declare a 12 county disaster area. Five of those counties are in areas where project works are authorized but no construction begun. These same floods also disrupted the water supply of Cape Canaveral and the normal routines of the missile base personnel as well as base activities.

State funds totaling some $37 million have been appropriated for the project to date. Of this amount $19,023,000 has gone to finance construction obligations and purchase water storage lands. This 18 county district has received approximately $18 million for use in fulfilling its obligations of providing lands, easements, rights-of-way, and maintaining project works in perpetuity.

To date, Federal appropriations to the project have amounted to $58,002,000. The project enjoys an overall favorable benefit to cost ratio of 3.8 to 1. General benefits consist of flood damages prevented, navigation, and fish and wildlife. Local benefits consist of increased land use and navigation. In addition, the water table level has been maintained to the benefit of municipal and agricultural uses and salt water intrusion has been inhibited.

Under the revised cost sharing formula contained in the Flood Control Act of 1958, the district contributes 20 percent of the construction cost of works authorized in 1954. Construction cost contribution to works authorized earlier than 1954 remain at the original 15 percent.

Project works this far have been confined to a relatively small portion of the district area. This is true because the Corps of Engineers must work from the bottom to the top of any project and because works of preexisting projects—Federal and State—has made their improvement an economic and physical necessity.

During the current fiscal year, work started for the first time in an area north of Lake Okeechobee, the lake which is the key to water control in central and southern Florida. Already plans are underway for improvements on the northwest shore of Lake Okeechobee so that its storage capacity may eventually be increased with the result that presently discharges to sea may be diminished.

Water problems are being resolved in those parts of the project where works have been constructed or where existing facilities have been improved in an effort to make the most economical use of the Federal-State and local funds invested in the project.

We submit that where project works exist flood damage prevention has met every anticipated measure of success. When funds are available in increased amounts to carry out already planned and authorized works, the economy of the State and Nation will benefit from the revenues realized from flood damages prevented.

For the foregoing reasons, we respectfully urge that the committee favorably consider the $10 million included in the budget this year for the continued expansion and development of the central and southern flood control project, and earnestly consider adding to this amount.

DANTE B. FASCELL,
Member of Congress, Fourth District of Florida.
A. S. HERLONG, Jr.,
Member of Congress, Fifth District of Florida.
PAUL G. ROGERS,
Member of Congress, Sixth District of Florida.
JAMES A. HALEY,
Member of Congress, Seventh District of Florida.

Mr. ROGERS. The statement is also signed by Congressman Herlong and Congressman Haley.

I would now like to present the chairman of the flood control district, Mr. Jefferson Davis, who would like to present a statement. Then he will introduce the members of his board and also introduce Colonel Gee. Mr. Jefferson Davis, chairman of the flood control district.

Mr. CANNON. Mr. Davis.

STATEMENT OF MR. JEFFERSON DAVIS

Mr. DAVIS. Mr. Chairman and gentlemen of the committee, my name is Jefferson Davis, and I am chairman of the governing board, Central and Southern Florida Flood Control District, representing local interests in the State of Florida.

I should like to introduce my fellow board members. They are Mr. Riley Miles, Mr. Brian McCarthy, Mr. Ed Dail, Mr. William Hitt, and Mr. Dave Click.

Mr. CANNON. Their names will be noted by the stenographer.

Mr. DAVIS. Gov. LeRoy Collins very much regrets his inability to be present with us today. He has asked me to present this letter from him to you, Mr. Chairman, for inclusion in the record.

Mr. CANNON. It will be included.

(Governor Collins' letter follows:)

STATE OF FLORIDA,
OFFICE OF THE GOVERNOR,
Tallahassee, April 7, 1960.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee,
House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: State business requires my presence in Tallahassee, and regretfully, I must forego this opportunity to appear before your committee. I am certain that the chairman of the district governing board of the Central and Southern Florida Flood Control District will, as in the past, adequately represent local interests before your committee.

The heavy rainfall of March 15 to 18, 1960, and subsequent flooding in the northern reaches of the Kissimmee River Basin and the upper St. Johns River clearly indicate that urgent need to accelerate project planning and construction. Because of the tremendous growth and urbanization of Florida, each succeeding year brings with it a greater potential for disaster.

During my tenure of office, I have watched this project grow and have supported it with vigor. I have seen an economical and practical husbanding of funds and resources to the end of good resource use. While practical and realistic solutions to flood problems demand that already existing works be improved or be converted into livesaving water control projects—with the result that a great amount of work has been concentrated in those areas where the antecedent works existed—I am proud to inform you, in this my last presenta-

tion to you prior to the expiration of my term of office, that during this year work has gone forward for the first time in regions north of Lake Okeechobee, and in St. Lucie County. Vital canal and levee systems on the northwest shore of Lake Okeechobee are bringing water control to a vast area including Seminole Indian Reservation lands where formerly water control was ineffectual or nonexistent.

Likewise the work underway in St. Lucie County will give promise of protection where damaging floods have been experienced in 7 out of the past 15 years.

By the very nature of the local problem of water control it is essential that work be pursued from the bottom of the project, or a component of it, to the top. Therefore, to fit construction requirements to budgetary limitations requires an ordered progression of work. I trust that your committee will recall the terrain over which some of you have traveled in recent months as you consider our needs.

A well-rounded construction program for fiscal year 1961 should include works designed to complete enclosure of the water conservation areas of the Everglades region, works to finish the authorized coastal canals along the rapidly growing east coast counties of Dade, Broward, and Palm Beach, long overdue flood protection to the areas tributary to the North Fork of the St. Lucie River, a start of work in the Caloosahatchee, substantial progress on the northwest shore levees, and start of work in the Kissimmee River Basin.

I am seriously concerned with the lack of funds for making survey review reports for southwest Dade County and Martin County, and it is most urgent that sufficient funds be appropriated to complete these surveys at the earliest practicable date. Works in these areas are sorely needed, but cannot be planned for construction until the Corps of Engineers has completed their studies.

In reflecting upon the responsibilities incumbent upon the flood control district—which embraces local interests and State responsibilities in cooperation with the Federal Government—it seems to me that our stewardship has been worthy of the public trust we have held for the safety of the lives and property and welfare of some 2 million persons who occupy a large portion of the Florida peninsula.

May I, in this my last report, thank you for the considerable interest and time you have devoted to our well being and for the support you have given this project.

Sincerely,

LEROY COLLINS, *Governor.*

Mr. DAVIS. Our report to the Bureau of the Budget in October requested $22,289,800 for the construction program in fiscal year 1961 as well as funds for survey-review studies. Your attention is invited to a detailed statement relative to these survey-review studies. The Presidential budget includes three of our requested items totaling $51,750 but has omitted two other items of equal importance. These are:

(*a*) The study embracing southwest Dade County, an area subjected to annual flooding of increasing severity in recent years; and

(*b*) A study urgently needed for a water control program for Martin County through which flows the chief outlet for Lake Okeechobee, the St. Lucie Canal.

Both of these items are inseparable in the final analysis from the other portions of the authorized project and represent small expenditures at this time, only $25,000 and $70,000 respectively. I urge you to add these to the appropriation bill.

With regard to the funds requested for construction, the serious flooding which occurred in the southern area of the district in late 1959 and the disastrous flooding in the northernmost part of the district during March of this year offers mute and convincing testimony that our needs were not overstated in our budget request.

The $22,289,800 request for construction funds would provide the following:

(*a*) Initiation of works to complete and to make possible greater and more efficient use of vast water storage areas;

(*b*) Provision for additional flood protection in highly developed urban and rural Dade County;

(*c*) Expediting work to accomplish objectives of increased safe conservation and flood storage in Lake Okeechobee including work in the Caloosahatchee, one of the two major lake outlets, and work in the Kissimmee River Basin, the principal tributary to the lake—this latter prerequisite will afford later relief to urban areas of Orange County, Orlando, and Osceloa County, Kissimmee, St. Cloud.

(*d*) The completion and/or continuing of items currently under construction.

Also contemplated is levee work on the western edge of conservation area No. 3 and construction of interceptor levees within that conservation area to diminish the damage potential to highly developed contiguous areas.

Provision for continuing the program of improvements for the highly developed agricultural and urban lands west and south of Fort Pierce is essential.

We are proud that this project carries a higher share of local contribution than any other in the United States. We are eager to help ourselves protect ourselves from the ravages of uncontrolled waters. Therefore, if we may anticipate annual budgets which will allow completion economically and expeditiously of the Corps of Engineers' construction program we will be most grateful.

Thank you for your consideration of our requirements. I would like to present Mr. Herbert C. Gee who is well known to your committee and who is our consulting engineer.

STATEMENT OF MR. HERBERT C. GEE

Mr. GEE. Gentlemen of the committee, I would like to give you a very brief report on the effectiveness of local cooperation under the central and southern Florida project. Much is heard of this general field of local cooperation and support for projects. The central and southern Florida project is one which operates under a rather complicated administrative procedure involving cooperative arrangements with local, State, and Federal agencies; project funds are derived from three separate sources: annual Federal appropriations, biennial State appropriations, and, third, a uniform levy on all the real property in the 18 counties which make up the flood control district.

In accordance with the directives of Congress, this project is carried out with the division of responsibility with the Corps of Engineers, they being responsible for engineering and design. It is gratifying to be able to report to your committee that the corps operation in this project is real and is producing results. Very close work with the Corps of Engineers and the governing body of the flood control district has produced a high degree of cooperation and real progress in the area.

As was the custom for the past 7 years, the flood control district made its annual report to the Bureau of the Budget last November and in that report presented a list of works which the Corps of Engineers had indicated could be carried out in fiscal year 1961 and for which local interests could provide the needed rights-of-way and relocations and the cash contribution to construction. This budget amount was $22,289,800.

The budget now before you for consideration is an amount of $10 million within which is included return to the State of Florida of $1,277,800 of moneys advanced some years ago to expedite construction of the project. With the return of this amount of money, there will remain a balance of $100,000 on deposit with the Corps of Engineers as a continuing guarantee of the fulfillment of commitments on the part of local interests, and local interests have agreed to leave this amount permanently on deposit with the Corps of Engineers in that district office.

The chairman has already mentioned the survey reports in which the district is vitally interested in the coming year. I should like to point out that the major elements of the flood control district's program for fiscal year 1961 involve works designed to complete the water storage areas in the main body of the Everglades; second, the works to finish——

Mr. CANNON. What is the purpose of the storage?

Mr. GEE. This is an impoundment area, a natural marsh, purchased by the State of Florida for the storage of water to augment the capacity of Lake Okeechobee to hold water during the wet period of each year and make it available for reuse later for agriculture, for industry, for domestic water supply. That is the function of the water storage areas.

The program would include also the long overdue flood protection to areas tributary to the North Fork of the St. Lucie River in the vicinity of Fort Pierce, Fla.

Finally, part of the work on the Caloosahatchee, some progress on the northwest shore levees of Lake Okeechobee, and the beginning of work in the Kissimmee River Valley.

The flood control district recommends to your committee, Mr. Chairman, the appropriation of $22,289,800, as was recommended to the Bureau of the Budget; recommends the inclusion of the survey funds for southwest Dade County in the amount of $25,000; for Martin County in the amount of $70,000; and finally recommends, as has been the case for a number of years, that this project be placed on an annual appropriation basis somewhere near $25 million in order that we may get on with the completion of this undertaking within the reasonably foreseeable future.

I have a prepared statement, Mr. Chairman. May I submit it for the record?

Mr. CANNON. It will be made a part of the record.

(Mr. Gee's statement follows:)

Mr. Chairman, gentlemen of the committee, my name is Herbert C. Gee. I am a consulting engineer from West Palm Beach, Fla., representing the Central and Southern Florida Flood Control District at this hearing. This district, a political subdivision of the State of Florida, created by legislative act in 1949,

is the agency responsible for fulfilling the requirements of local cooperation under the central and southern Florida project as authorized in the Flood Control Act of June 30, 1948, and subsequent acts.

EFFECTIVE PROJECT COOPERATION

The central and southern Florida project is being designed, constructed, and operated under a complicated, cooperative arrangement involving local, State and Federal agencies. The working partnership created for the completion of this project illustrates the effectiveness of local cooperation even under an admittedly complicated administrative arrangement.

This project is financed from funds derived from three different sources. First, annual Federal appropriation; second, biennial State appropriation; and third, uniform annual levy of taxes on real property within the 18 counties of the flood control district. In accordance with the directives of Congress in the Flood Control Act of June 30, 1948, and subsequent acts, the Corps of Engineers is responsible for engineering design and construction of the project while local interests are responsible for securing rights-of-way, completing essential relocations, providing storage area lands, and maintaining and operating completed works. With this division of work responsibilities within the project, a very high degree of effective, cooperative effort has been achieved by continued close coordination between the Corps of Engineers and the flood control district.

It is gratifying to be able to report to this committee that on the central and southern Florida project the cooperation, so frequently discussed in connection with water resource projects, is a reality. Local interests are working in close harmony with the Corps of Engineers to produce a project for flood control, water conservation, and related benefits with a high benefit-cost ratio. Interest in the project in the affected counties continues high and support for the program at the local level is continuing and effective.

REPORT TO BUREAU OF THE BUDGET

Early in November 1959, the flood control district submitted its seventh annual report on the central and southern Florida project to the Bureau of the Budget. The governing board of the flood control district asked the Bureau of the Budget to include in their recommendations for fiscal year 1961, a construction program amounting to $20,262,000 and, in addition, to provide funds for final repayment of moneys advanced by the State of Florida in the amount of $1,277,800. The construction funds requested were broken down into $6,307,000 on continuing contracts and $13,955,000 in new contract starts.

The construction program recommended to the Bureau of the Budget is entirely realistic in that the Corps of Engineers is prepared to handle the projects listed in the budget presentation during fiscal year 1961. In addition, the flood control district is prepared to make available the needed lands and relocation works to support the activities of the Corps of Engineers in the coming year. The State is prepared to meet the requirements of local cooperation for the enlarged program recommended to the budget last November.

BUDGET RECOMMENDATION FOR FISCAL YEAR 1961

The Bureau of the Budget recommended the appropriation of $10 million for the central and southern Florida project for fiscal year 1961. According to the detailed breakdown submitted by the Corps of Engineers, the recommended appropriation would provide for construction contracts including supervision and administration in the amount of $7,974,200, an allowance for engineering design in the amount of $748,000 and repayment of funds advanced by the State of Florida in the amount of $1,277,800. These three items together make up the total recommended appropriation.

The principal difference between the flood control district's recommendation to the Bureau of the Budget and the program forwarded to Congress from the Budget lies in the fact that the main line levees along the northwest shore of Lake Okeechobee, with pertinent structures, companion interceptor levees and tieback, as well as excavation and structure work on the main stem of the Kissimmee River, have barely been included. Local interests are most anxious to initiate substantial work on the main stem of the Kissimmee and in the northwest

shore area in the coming fiscal year to hasten the day when the benefits of this program may be realized in an important segment of the project area which has not yet been affected by any of the works undertaken.

The district includes all or part of 18 counties of central and southern Florida and of this number 7 have received no benefit to date from the construction work now completed or under contract. The flood control district was organized in 1949 and these 7 counties have been paying taxes to the district for a period of 10 years. The total amount of money paid in taxes to the flood control district by the 7 counties in question amounts to $1,149,424 through calendar year 1959.

One of the constantly recurring problems confronting the governing board of the Central and Southern Florida Flood Control District has been the maintenance of continued interest and support for the program, including financial support in those counties which have yet to see tangible benefits from the payment of this large sum of money in taxes over a 10-year period. Residents of these counties have been encouraged that when engineering and land acquisition have sufficiently advanced, works will be undertaken to bring the benefits of flood control and water conservation to the Caloosahatchee River Basin, the Kissimmee River Basin and the upper St. Johns River Basin.

Fortunately, in the program recommended by the Budget start of work in the Caloosahatchee River Basin is provided. This provision includes start of work on S-79, a lock and dam across the Caloosahatchee River a few miles upstream from the city of Fort Myers. Channel excavation immediately downstream from the dam is also provided. Initiation of work in this basin will eliminate Lee County from the list of 7 completely neglected counties of the flood control district.

FUNDS FOR SURVEY REVIEW REPORTS

The flood control district recommended in November that funds be included in the fiscal year 1961 appropriation to finance survey review reports in accordance with the list presented below:

For completion of reports underway:	
Shingle and Boggy Creeks basins, Orange and Osceola Counties	$11,750
Greater Miami area (area B), Dade County	10,000
Subtotal	21,750
New reports requested:	
Cutler drain, Dade County	30,000
Southwest Dade County	25,000
Martin County	70,000
Subtotal	125,000
Total requested	$146,750

The Budget recommendation before the committee for consideration included the first three of the survey review reports recommended by the flood control district. It is the considered opinion of the governing board that southwest Dade County and Martin County reports should be added to the list of review investigations to be prosecuted during fiscal year 1961. Both areas have experienced phenomenal population increases since the project was originally reported to Congress in 1948.

CONCLUSIONS AND RECOMMENDATIONS

It is the conclusion of the flood control district that the recommended appropriation of $10 million, which will actually finance a construction program of $7,974,200 and repay to local interests monies advanced to the project in the amount of $1,277,800, is inadequate in the light of circumstances which exist in the project area. Local interests are well advanced with the necessary land

acquisition program to make available rghts-of-way needed for the $20 million program submitted to the Bureau of the Budget in November 1959. In addition, the Corps of Engineers has indicated that progress in engineering and design is sufficient to permit the efficient handling of a program of that magnitude in fiscal year 1961. It is essential that the program be expanded into the Kissimmee River Basin during the coming fiscal year.

A well-rounded program for fiscal year 1961 should include: (1) works designed to complete enclosure of the water conservation areas of the Everglades region, (2) works to finish the authorized coastal canals along the rapidly growing lower east coast counties of Dade, Broward, and Palm Beach, (3) long overdue flood protection to the areas tributary to the North Fork of the St. Lucie River, (4) a start of work in the Caloosahatchee, (5) substantial progress on the northwest shore levees, and (6) start of work in the Kissimmee River Basin.

It is recommended that:

1. The construction program for fiscal year 1961 include those items recommended by the flood control district to the Bureau of the Budget in its report of last November. This will involve appropriation of funds in the amount of $22,289,800, in accordance with the list and map attached to this statement.

2. Amounts included in the appropriation measure for survey review reports within the area of the central and southern Florida project be approved as follows:

Shingle and Boggy Creeks basins, Orange and Osceola Counties	$11,750
Greater Miami area (area B) Dade County	10,000
Cutler drain, Dade County (these three items are in the budget recommendation)	30,000
Southwest Dade County	25,000
Martin County (the last two items to be added to the recommendations of the Bureau of the Budget)	70,000

3. The flood control project for central and southern Florida be financed on an annual appropriation of approximately $25 million in each fiscal year following fiscal year 1961, in order that this comprehensive multipurpose project for flood control and water conservation may be completed within the reasonably foreseeable future.

List of works in recommended construction program, fiscal year 1961

Continuing contracts:	
C–8, S–28, B–99	$500,000
L–39, S–10	60,000
C–41 (sec. 1) S–70, S–71	430,000
S–8	960,000
C–14, S–37A, S–37B	480,000
C–1, S–21	600,000
C–9 extension, S–30	400,000
C–40 (sec. 2) C–39A	90,000
C–24 (sec. 2)	1,080,000
L–38 (sec. 2)	320,000
C–41 (sec. 2)	920,000
Total	5,840,000
Supervision and administration	467,000
Subtotal	6,307,000

List of works in recommended construction program, fiscal year 1961—Con.

New starts:	
1. L–48	$700,000
2. L–49	1,000,000
3. L–50	900,000
4. C–25, S–50, S–99, B–62	600,000
5. C–43, S–79, B–109	850,000
6. Conservation Area No. 3 interior levee	800,000
7. C–1 Extension, FEC bridge and SAL bridges	300,000
8. L–35B	630,000
9. S–38, S–38A	125,000
10. C–10, B–95, B–96	100,000
11. L–59	175,000
12. L–60	90,000
13. L–61	80,000
14. L–28	1,000,000
15. C–23, S–48, S–97, B–57	650,000
16. C–38 to S–65E	600,000
17. S–65E	540,000
18. C–41A, S–84, S–83, B–110	250,000
19. S–66	50,000
20. L–31 (lower east coast)	300,000
21. S–65D	430,000
22. S–65C	300,000
23. S–65B	300,000
24. S–65A	300,000
25. S–65	300,000
26. S–127 machinery and structure	360,000
27. S–128 machinery and structure	260,000
28. S–129 machinery and structure	260,000
29. S–130 machinery and structure	265,000
30. S–131 machinery and structure	255,000
31. S–132 machinery and structure	15,000
Total	12,920,000
Supervision and administration	1,035,000
Subtotal	13,955,000
	20,262,000
Engineering	750,000
Repayment of advance to State of Florida	1,277,800
Grand total	22,289,800

Mr. CANNON. What is your schedule for completion at the present time?

Mr. GEE. There appears to be no schedule for completion, Mr. Chairman.

Mr. CANNON. At the present rate, what would you say would be the date of completion?

Mr. GEE. It would be impossible to say. We have been at work now since January 1951. The balance remaining to complete is still larger than the estimated cost of the project when we started. We have not kept up with the increase in cost of construction, according to the Engineering News Record Index.

Mr. CANNON. Like most of these estimates submitted by the Engineers, they usually turn out to be considerably less than the actual cost. It is more aggravated in some cases than in others.

What would you say would be the total cost of completing this?

Mr. GEE. The estimated total cost, Federal, of this project is in excess of $244 million at the present time.

Mr. CANNON. A quarter of a billion dollars. Would you say that would complete it?

Mr. GEE. Yes, sir.

Mr. CANNON. Thank you.

Mr. ROGERS. Mr. Chairman, in connection with our presentation on the Central and Southern Florida Flood Control District, with your permission, I would like to insert for the record a letter from the Hendry County Water Conservation Committee containing certain recommendations for solving the water control problem in Hendry County, Fla.

Mr. CANNON. It may be placed in the record at this point.

(The letter referred to follows:)

HENDRY COUNTY WATER CONSERVATION COMMITTEE,
LaBelle, Fla., December 16, 1959.

Hon. PAUL G. ROGERS,
West Palm Beach, Fla.

MY DEAR CONGRESSMAN: Referring to your visit with us on October 19, at which time you inspected some of our worst flooded areas and discussed with us our major flood control problems in Hendry County, particularly those which fall within the scope of the Central and Southern Florida Flood Control District.

During your visit we stated that the Hendry County Water Conservation Committee would submit to you a written report, outlining what we believe to be a feasible solution to some of our problems.

Following are our recommendations:

1. That further study be made of the problems in the upper Caloosahatchee River Basin, particularly as to feasibility of extending levee L–1 from its present western terminus near the southeastern corner of section 4, township 43, range 33, in a westwardly direction and roughly parallel with the Caloosahatchee River a distance of some 28 miles, intersecting with the north Fort Simmons Branch Canal and thence to the river as shown by red line on the attached map. This proposed revision of L–1 would in effect represent an interceptor canal which would intercept much of the water which is now flowing into the river from the north and central portion of the county. Boundaries of the principal watersheds in the county are shown by broken black lines on the attached map, and from which you may see the water which falls on approximately 170,000 acres must flow to the river which is already overloaded and subject to serious flooding for an extended period during each rainy season.

The Caloosahatchee is used as an outlet for Lake Okeechobee. It stands to reason, of course, that its need and use as a discharge channel are greatest during periods of heavy rainfall and least during long periods of dry weather. Thus, in addition to being the only outlet for excess waters in the huge watershed mentioned above, the river is saddled with the burden of water discharged from Lake Okeechobee during and following flood periods. It is believed that this proposed interceptor canal would divert much water now going into the upper reaches of the river, discharging such water into the river at a point where it may satisfactorily flow into its estuary at Fort Myers. It is felt that such a revision in the proposed work in C–43 and L–1 would, therefore, not only better serve the needs of the area but may be brought about with no additional cost. In fact, it is believed this revision might bring about a somewhat lower cost than is now involved in authorized work on C–43 and L–1, particularly when it is considered that work now authorized on the northern and western some 13 miles of L–1 may be deleted from the program if this interceptor canal is constructed.

2. Revision of cost-sharing ratio of L–100 as authorized by Congress. This proposed project was authorized in 1958, however, authorization was based upon local participation of 27.5 percent as contrasted to 20 percent now in effect for the remainder of the district. It is not believed that the area has received fair and equitable consideration by the Corps of Engineers in compiling cost-benefit ratio on this project, particularly since it is understood that in arriving at this ratio only the lands between proposed L–100 and L–1, 2 and 3 were con-

sidered. We, of course, do not understand how a fair and equitable report could include only the area mentioned since the existence of L–1, 2 and 3 are adversely affecting water control on an area comprising some 121,000 acres. In other words, the lands in the huge watershed lying west of L–1, 2 and 3 are deprived of any place to discharge floodwaters and any effort by the landowners to dig canals running to the perimeter canal of levees L–1, 2 and 3 only add to this flooded conditions in that area. It is our sincere belief that a thorough study of conditions in the entire area will result in a favorable cost-benefit ratio, therefore, putting the district and Corps of Engineers in a position to correct this situation.

3. We question the design of L–28 and its relationship to waters which are collected by perimeter canal of L–1, 2 and 3 and discharged into conservation area No. 3. Conservation area No. 3 represents the only outlet for floodwaters for the entire central and southeastern portion of Hendry County and it is our belief that this slight difference in elevation of the conservation area and the lands from which the waters are to be discharged will create a serious problem when a large amount of water is pumped in the conservation area. When the elevation of the water in the conservation area is raised several feet, we do not believe that water now flowing into it from the perimeter canal of levees L–1, 2 and 3 will have sufficient fall to obtain satisfactory gravity flow, thereby further aggravating flood conditions in the east central and southeastern portion of the county. We, therefore, urge that the Corps of Engineers restudy this project with view to revising the design of L–28 and related work before we are confronted with further flooding in the areas affected by these canals.

The present design of L–28 contemplates a channel along the west side to accumulate the waters from the watershed to the west thereof, but no channel is provided along the east side to disperse the floodwaters which will be discharged from L–1, 2, and 3 at the northwest corner of conservation area No. 3. These waters will impound at this point and back up along L–3 to unprecedented crests if there are no definite and adequate channels to carry the water through the heavy saw grass in the conservation area. The discharge from pumps S–8 and S–16 will raise the water surface at their discharge point when they are in full operation so as to aggravate the impoundment and backwater conditions, therefore, it appears that it will be necessary to extend a channel southward along the east side of L–28 to disperse these floodwaters to the lower portions of the conservation area.

4. We believe that the carrying capacity of that portion of the perimeter canal of L–3 between intersection of L–3 and L–100 and the conservation area No. 3 will definitely have to be increased in order to accommodate the large amount of water which will be discharged into this canal as developments progress on lands west of proposed L–100 and southern portion of L–3.

The above may be summarized in part by saying that landowners in the north central and eastern portion of the county have no place to discharge floodwaters, therefore, until some satisfactory outlets are established, not only is future progress and development in this area prohibited, but the vast farming, cattle, wildlife, and timber interest which the area once supported are in serious jeopardy.

We would particularly like to briefly review the history of levees L–1, 2, 3, and 4, and 100. Shortly after levees L–2 and 3 were authorized, public hearings were held at Clewiston, Fla., on September 30 and October 22, 1954, at which time the Corps of Engineers and representatives of the flood control district advised the landowners attending that the construction of levees L–1, 2, and 3, as designed, would cause serious flooding to the lands located to the south and west thereof and that a revised plan was being developed. The landowners were told that the revised plan would consist primarily of three phases, approximately as follows:

Phase 1.—Construct levees L–2, 3, and 4, with perimeter canal along the west side to be approximately 20 feet wide at the north end, increasing progressively to 60 feet at the south end of L–3, the point at which the canal empties into L–4, and thence into conservation area No. 3, with openings being left in levee L–2, and probably a part of L–3, at intervals of 250 feet. These openings to serve as a safeguard against the impoundment of water on the lands to the west during periods of abnormally heavy rainfall. In other words, the perimeter canal would intercept and divert into the conservation area, a portion of water which has heretofore flowed from the watershed overland into the Everglades.

Phase 2.—This phase would involve the construction of an interceptor canal, which has since been authorized and designated as L–100, and shown by blue

line on the attached map. This canal would not only provide additional drainage for the lands in the Devil's Garden watershed but would intercept much of the water which would have been flowing into the perimeter canal along levees L–2 and 3, thereby relieving that canal of a large portion of its load.

Phase 3.—Construction of pumping station at point where the interceptor canal intersects with L–3 for purpose of accelerating removal of water from the area between L–1, 2, and 3 and the interceptor canal. Then, when phase 3 was completed, it was understood that the openings in levees L–2 and 3 would be closed.

This revised plan was approved by the landowners attending the hearings referred to and adopted by the governing board of the Central and Southern Florida Flood Control District at its October meeting, also held at Clewiston. The landowners in the areas concerned left these hearings and meeting of the flood control district referred to, with the impression that if and when levees L–1, 2, and 3 were constructed, they would be constructed in accordance with this revised plan.

The group was then advised in December 1954, by the Corps of Engineers, that question had been raised as to the revised plan and that it planned to construct levees L–1, 2, and 3 in accordance with the original plan. In other words, after the Corps of Engineers had advised the landowners and the flood control district that the construction of levees L–1, 2, and 3 would cause serious impoundment of water on the lands lying to the south and west thereof, it nevertheless went back to the original plan and the levees have since been so constructed.

In view of the above, it is difficult for us to understand the position of the Corps of Engineers with respect to cost-sharing arrangement on L–100. The corps admits, and has told the landowners in the area that when comprehensive plan of Central and Southern Florida Flood Control District was developed, levees L–1, 2, and 3 were designed as a part of the outer encirclement to protect the so-called agricultural area lying to the east thereof and that no consideration was given to the lands lying to the west of these levees. Further, that the construction of these levees would seriously aggravate flood conditions on the lands lying to the west.

Actually only a small percent of the area enclosed by these levees is being used for agricultural purposes, whereas, at the time these levees were constructed, the lands lying to the west were supporting huge farming operations and which have since moved to other locations due to an impossible situation with respect to water control which has been created by the construction of these facilities. In other words, flood conditions have been seriously aggravated by these levees and it would appear that the landowners in the area would have every right to expect some remedial action at the earliest possible date.

As evidence that flood conditions have been worsened on lands lying to the west of levees L–1, 2, and 3 by the construction of these facilities is the fact that change in vegetation is evident in the entire area, i.e., fine young stands of pine timber which the area supported several years ago are now dying. Areas that once were considered as excellent pasture are now saw grass ponds. Further, this watershed area was once considered as one of the best wildlife areas of south Florida and in spite of the protection and game management efforts by some of the landowners and the Game and Fresh Water Fish Commission, the area is rapidly deteriorating as a satisfactory site for native Florida game. Then, as brought out above, huge farming operations which the area supported until a few years ago have been forced to move to areas where some degree of water control is feasible. Also, secondary roads in the area are subject to annual flooding and many become impassable to ordinary traffic during the rainy season.

We should also like to stress the fact that only work which Hendry County has received under the central and southern Florida flood control program is the construction of L–1, 2, and 3. As brought out above, these projects were not designed with view of benefiting Hendry County but for protecting the agricultural area lying to the east thereof and south of Lake Okeechobee, and as brought out above, no consideration was given the lands lying to the west of these facilities. All of Hendry County is within the Central and Southern Florida Flood Control District and the work which it has received thus far has, in our opinion, caused much more damage to the county as a whole than has accrued to the small portion lying to the east of levees L–1, 2, and 3.

We are attaching photographs which were taken during past September and October, showing flood conditions along the Caloosahatchee River and on lands west of levees L–1, 2, and 3 which we hope will be helpful to you in dealing with this problem.

We do not feel that we can overstress the seriousness of water control problems in Hendry County and hope that you can, during the forthcoming session of Congress, obtain revised authorization of L–100 in a manner acceptable to the flood control district. Also, that you can assist us in obtaining a reevaluation of the conditions on the upper reaches of the Caloosahatchee River and a study of the design of L–28 and related works in that area, including the southern portion of the perimeter canal of L–3.

Very truly yours,

J. R. SPRATT, *Chairman.*

[Telegram]

APRIL 12, 1960.

Senator SPESSARD HOLLAND,
U.S. Senate, Washington, D.C.:

We request you enter Martin County protest against public works appropriations for completion C–24 canal before conservation measures and adequate drainage disposal for St. Johns marshes, north of State Road 68, without diversion to St. Lucie River are physically provided. Our reasons fully recorded in record of last year's hearings, pages 1364 to 1380. Engineers have already contracted for completing C–24 enlargement in anticipation of covering appropriations and work now progressing beyond last year's appropriations for C–24 work, using funds diverted from appropriations budgeted for other projects. Diverted drainage from north of State Roard 68 now flowing to St. Lucie River through existing Rim Ditch in greatly augmented volume, due to drainage from 6,000-acre Minute Maid citrus development in blueprinted conservation area A, which now is abandoned. This augments silting damages in Martin County and seriously injures our economy. Present design of temporary structure at State Road 68 totally inadequate for diversion prevention promised by General Person recorded in last year's hearings, pages 2983 to 2986. Turner Wallis now in Washington, is fully advised of present situation and is authorized to present appropriate supporting information in our behalf.

CHARLES W. LEIGHTON,
Chairman, Martin County Board of Commissioners.

Mr. ROGERS. Mr. Weiss, who is a metro commissioner of Dade County—Mr. Walter Weiss—would like to make a statement.

Mr. CANNON. Mr. Weiss.

STATEMENT OF MR. WALTER WEISS

Mr. WEISS. Mr. Chairman, gentlemen of the committee, I feel it appropriate at this moment to bring to your attention the fact that you have kindly granted to Dade County, through the offices of our Representative, Congressman Fascell, a 10-minute hearing during tomorrow's session for the purpose of citing Dade County's specific problems in this area of flood control. I think it most appropriate if, in keeping with the statements that have been made by the flood control district, Dade County now states its position that you may understand and perhaps more readily follow the testimony which we hope to introduce tomorrow before you to clearly depict the position in which Dade County finds itself.

Let me say that Dade County's position is one of complete accord with the statements, objectives, and the programing of the district. We find that as an absolute necessity to the continued existence of Dade County.

I would like to point out to this committee, if I may, that the program at its inception encompassed a population of some half a million by 1960. This was the basis on which the projections were made. This encompassed the problems we might face. We are, in fact, in a population bracket of approximately a million people here in 1960. Thus, the problems that are developed by the greater number of people who have settled in Dade County have intensified the problem we face in this matter of water control and has brought us to the position that we feel we have an emergency existing and this emergency, we feel, justifies and is the reason for the request by our Congressman Fascell for this additional time before you.

Actually, gentlemen, as the result of the incompletion of some of these major works in connection with flood control, Dade County's agriculture is threatened, our urban expansion is impeded. We at the local level, our responsibility of government cannot properly be carried out to the people of our county because we have no major works to which to plan with our secondary works which are a local responsibility.

Thus, we come before you on an emergency basis. We feel that the needs of Dade County, the position we have been put in through the very effective works that have been completed by the district, that puts us in this position where the emergency is real, it is threatening our progress, it is threatening our ability to continue to serve the people of that area, to continue to carry out our agricultural function as a part of our national economy and an important part of our local economy.

Thus, on the basis of an emergency, we feel we are justified in urging you to consider the emergency needs and grant an emergency appropriation in addition to that which you have seen fit to extend for the district.

Tomorrow I hope to present the rest of these witnesses and their testimony. Thank you, Mr. Chairman and gentlemen.

PORT EVERGLADES HARBOR

Mr. ROGERS. Mr. Chairman, we would now like to call the committee's attention to the budget item for the improvement and enlargement of Port Everglades Harbor. The port manager of Port Everglades is here.

This is a budget item of $750,000. I know the committee would be interested in knowing that the waterborne commerce moving through Port Everglades has increased by 246 percent since 1950. In the 3-year period from 1956 to 1959, the Broward County Port Authority spent almost $3.5 million to provide needed improvements in port facilities. This is a project that has been approved and is in the budget.

I have a statement on this item which I would like to file for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

IMPROVEMENT AND ENLARGEMENT OF PORT EVERGLADES HARBOR

Mr. Chairman and members of this distinguished committee, I appreciate the opportunity to appear today in support of the $750,000 budget item for the improvement and enlargement of Port Everglades Harbor.

Port Everglades is a deep-draft port located at Fort Lauderdale on the lower east coast of Florida. This area, as I am sure you know, is one of the fastest growing areas in the country, having more than doubled in population in the last 5 years.

The spectacular growth we are presently enjoying began in earnest about 1950 and there is every indication that it will continue at the present rate for many years to come.

Although agriculture and tourism are still the most important factors in the economy of Florida, we are presently experiencing a welcome and encouraging industrial growth. In the past 5 years, 2,000 new industries have been added to our growing list of manufacturing concerns. Last year 201 new plants were established in Florida and provided about 20,000 new jobs. This tremendous growth industrially and populationwise that we are enjoying has brought with it a correspondingly increased demand for goods and services. The increased demand for petroleum products and other consumer goods, such as steel products, cement, glass, lumber, dairy feed, imported automobiles, and the like, has increased the waterborne commerce moving through Port Everglades by 246 percent since 1950. Customs collections in 1959 were some 50 times greater than they were in 1950. In the 3-year period from 1956 to 1959, the Broward County Port Authority spent almost $3½ million to provide needed improvements in port facilities.

Although Port Everglades handles many types of cargo, petroleum is by far the largest in tonnage handled. For instance, in the 1958 calendar year petroleum constituted some 86 percent of the total waterborne commerce moving through Port Everglades. During 1959, of the 1,095 vessels handled by the port 354 were tankers carrying petroleum products.

The terminals located at Port Everglades distribute petroleum products in the entire south Florida area from Fort Pierce southward to Key West and distribution includes civilian requirements, public utility plants, and the considerable number of military bases located in this area.

In addition to serving as a terminal distributing point for consumer commodities, there has been a rapid growth in passenger service for transatlantic, Caribbean, and round-the-world cruise vessels. From 1956 to 1959 the number of passengers accommodated at the port increased from 188 to 29,408.

It is necessary that as larger and more economical cargo ships are put into use, the existing harbor and channels must be deepened and enlarged if Port Everglades is to continue to adequately serve the commerce needs of this rapidly growing area. For this reason, Congress authorized the construction of the needed improvements in the 1958 Rivers and Harbors Act.

The present estimated Federal cost of the project is $8,330,000 and the non-Federal costs are estimated $613,000. In addition, local authorities have pledged themselves to obtaining necessary rights-of-way and easements and to provide adequate public terminals and transfer facilities. The benefit-to-cost ratio has been determined at 1.6 to 1 making the project economically justifiable.

Mr. Chairman, thank you again for affording me an opportunity to appear on behalf of this project, and I sincerely hope that the committee will look with favor on the $750,000 included in this year's budget for the purpose of continuing work on the much needed improvements at Port Everglades.

Thank you.

STATEMENT OF MR. R. T. SPANGLER

Mr. ROGERS. At this time I would like to introduce Mr. R. T. Spangler, port manager of Port Everglades.

Mr. CANNON. Mr. Spangler, we will be pleased to have you proceed with your statement at this time.

Mr. SPANGLER. Mr. Chairman and members of the committee, my name is R. T. Spangler. I am port manager of Port Everglades, Fla., and reside in Fort Lauderdale, Fla.

I have a written presentation I would like to put in the record, and to save time I will not discuss it.

Mr. CANNON. Thank you. Your statement will be included in the record at this point.

(The statement follows:)

My name is R. T. Spangler. I am port manager of Port Everglades, Fla., and reside in Fort Lauderdale, Fla.

Port Everglades is located on the southeast coast of Florida, 23 miles north of the port of Miami, and 48 miles south of the port of Palm Beach. It is centrally located in south Florida, one of the fastest growing areas in the United States.

The initial development of the port was commenced by local interests in 1925. In 1926, the cities of Fort Lauderdale and Hollywood each issued $2 million of general obligation bonds to complete the initial project. The Florida Legislature in 1927, created the Broward County Port District, and the Broward County Port Authority, the governing body. Port Everglades was completed and opened for business in 1931. The growth and business at Port Everglades was slow, but increased steadily from year to year. The first real increase was in 1942, when Cuban raw sugar was imported because of the short sailing distance which offered protection from enemy submarines. This vital commodity was moved to eastern refineries by rail.

Petroleum tank storage facilities were fully utilized to supply much of the military facilities in the area.

The British constructed a million barrel molasses storage plant to store Cuban molasses for transshipment to England for use in manufacturing munitions. Many vessels used the port for short, fast runs to the Caribbean and the Bahamas with emergency general cargo.

A naval submarine patrol base was constructed, along with a Coast Guard facility at Port Everglades. Many coastwise convoys used the port for protection at night, when protection by naval vessels could not be afforded.

Though small and limited in facilities as compared with today, Port Everglades was fully utilized, and proved its importance to the national defense in time of war.

Tonnage moving through Port Everglades for the first 5 years after the war was encouraging, but not spectacular. In 1950 came the rapid increase in population and industrial growth of the south Florida area. This phenomenal growth increased the demand for petroleum products and other consumer goods, such as steel products, cement, lumber, glass, dairy feed, imported automobiles, etc. The continuing need for these products has increased the waterborne commerce moving through the port from a tonnage of 1,866,552 in 1950, to 6,465,413 tons in 1958; an increase of 246 percent for the 9-year period. The source of these figures is the U.S. Engineers' annual reports.

The U.S. customs' collections at the port have increased in the same manner.

U.S. customs collections at Port Everglades for the fiscal years of 1949–59

1949	$47,870.29	1955	$851,641.10
1950	142,186.52	1956	1,332,435.08
1951	310,787.94	1957	1,832,995.09
1952	728,090.45	1958	2,173,702.24
1953	359,127.60	1959	2,460,540.49
1954	608,517.30		

These figures represent an increase in collections of 5,040 percent for 1959 over 1949.

Collections for the first 8 months of the 1960 fiscal year amounted to $1,758,857.58, compared to $1,492,386.77 for the same period in the 1959 year, an increase of $266,470.81.

Although the port handles many types of cargo, petroleum is by far the largest in tonnage handled. In the calendar year 1958, a total of 5,814,219 short tons was handled. This constituted 85.9 percent of the total waterborne commerce moving through Port Everglades during the year. This accurately describes the importance of the movement of petroleum tonnage and distribution into the south Florida area.

There are 18 petroleum bulk terminal facilities owned by the operating companies at Port Everglades. The tank storage capacity of these plants is 5,486,391 barrels. This includes all the operating companies in the area, with the exception of the Texas Co. This company owns improved lands at the port, and will start construction of a terminal within the near future.

The terminals distribute petroleum products in the entire south Florida area from Fort Pierce southward to Key West. This distribution includes civilian requirements, public utility plants, and military bases. All of these products arrive at the port by water transportation and are distributed by truck, railroad, pipeline, and barge. During the year 1959, a total of 1,095 vessels was handled, of which 354 were tankers carrying petroleum products.

The economic feasibility determined for the approval of the present Port Everglades, Fla., expansion and improvement project by the Corps of Engineers, U.S. Army, and authorization by the Congress of the United States, was based principally on the trend toward replacement of the World War II tankers (T–2) with large supertankers. These larger tankers with mean loaded drafts of up to 35 feet are faster and more economical to operate than those for which the port was originally designed. Deepening the existing channel, turning basin, and slips to 37 feet inside the jetty ends, and 40 feet outside, would offer reasonably safe navigation to these large vessels.

Although Port Everglades is known as a heavy commodity port, there has been a rapid growth in passenger service for transatlantic, Caribbean, and round-the-world cruise vessels. During 1956, only 188 passengers were handled, compared with 29,408 in 1959. This number should increase substantially during 1960, as new lines have been added and others are anticipating starting service late in the year.

Port Everglades in recent years has also become one of the most popular liberty ports for the U.S. Navy and for foreign navy vessels alike.

During the year 1959, 142 naval ships of all types visited the port, for shore leave, working assignments, and bunkering service. The USCG *Travis* is also based at the port for emergency operations.

The expenditure of Federal funds on this project was first authorized by the Rivers and Harbors Act approved July 3, 1930, which directed the Corps of Engineers to assume the maintenance of the channel and turning basin which were constructed by local interests. Three subsequent rivers and harbors acts authorized enlarging the entrance channel and turning basin. These acts were approved August 30, 1935; June 20, 1938; and July 24, 1946. The details of the improvements authorized by these acts are included in the following documents:

House Document 357, 71st Congress, 2d session.

Rivers and Harbors Committee Document 25, 74th Congress, 1st session.

House Document 545, 75th Congress, 3d session.

House Document 768, 78th Congress, 2d session.

As of June 30, 1954, the cost to the U.S. Government for these improvements, as reported by the Corps of Engineers, has been $2,200,538 for new work and $498,846 for maintenance.

REQUIREMENTS OF LOCAL INTERESTS

The following facts have been included in our presentation to show that the port authority is earnestly endeavoring to meet increased usage demands and comply with requirements as set forth in the project.

1. Contribute in cash 6.4 percent of the cost of dredging, now estimated to be $581,000.

The port authority has set up a reserve fund depositing $33,000 per months to meet this obligation. As of April 1, 1960, this reserve amounted to $264,000.

2(*a*) Provide all lands, easements, rights-of-way and spoil disposal areas necessary for construction and subsequent maintenance. These are now available for the recommended initial project and a part of subsequent phases of the entire project.

2(*b*) Procure a valid easement to parcel B required under the existing project.

The Broward County Port Authority has commenced condemnation proceedings to comply with this requirement.

3. Provide and maintain adequate public terminal and transfer facilities.

The most plaguing problem in the operation of a rapidly expanding business is supplying adequate facilities. This was true at Port Everglades, and is, to a certain extent, still true today.

A long-range survey was made, clearly indicating that various facilities had to be expanded or result in a loss of business. Since 1956, the port authority has taken vigorous steps to keep abreast of the increase of cargo flowing through the port, by providing needed improvements as listed below:

Expansion of facilities and improvements, 1956 through 1959

1. Improvements, slip No. 3 and pier No. 1	$9,512.59
2. Pier No. 3, dredging and sheet piling	519,784.76
3. Pier No. 4, dredging, bulkheads, and grading	1,295,465.54
4. Pier No. 6, sheet piling	28,854.91
5. 4 new warehouses (190,000 square feet), piers Nos. 2–5 (including passenger terminal)	944,838.88
6. Administration building addition	182,905.84
7. Part payment on security and dispatching building	27,868.67
8. Land purchases	145,021.11
9. Addition to road system	111,961.91
10. Addition to water system	56,956.42
11. Fencing and landscaping	18,431.54
12. Additional drainage	28,927.07
13. Addition to railroad	52,574.26
14. Maintenance dredging of slips	75,510.72
Total	3,408,614.22

Improvements completed or contracts let for completion and payment in 1960

1. Paving pier No. 2	$86,420.55
2. Grading and bulkheading pier No. 3	422,998.00
3. Final payment, dispatcher's building and paving	8,645.98
4. Security building completion	130,223.33
5. Passenger information booth, lighting and additional fencing	5,269.58
6. 3 new maintenance buildings	85,138.00
7. Bulkheading pier No. 6	98,030.00
Total	756,695.44

These improvements provided in the 5-year period represent a total expenditure of $4,165,309.66. Plans for improvements which may be made during 1960 amount to an additional cost of approximately $186,000.00.

This expansion and improvement program has increased warehouse and transit-shed space from 100,000 to 274,000 square feet, docking space from 6,800 to 10,410 lineal feet, also many acres of open storage areas and other needed facilities. As a result of these improvements, Port Everglades is rated by many authorities as one of the finest and most modern facilities in the South.

4. Provide adequate dikes around spoil-disposal areas. Diking of the required spoil-area lands is approximately 25 percent completed.

5. Dredge slips 1, 2, and 3, and all berthing strips involved, including a strip 100 feet wide along the entire west edge of the turning basin, to a depth conformable to the adjacent basin and maintain them at that depth.

A large portion of this dredging was completed in 1959. In dredging the areas east of pier No. 4 to 33 feet and pier No. 3 to 37 feet, to make the new and proposed dock facilities operational, the port authority removed approximately 82,000 cubic yards of material from areas which are within the limits of the approved initial Federal project.

The cash reserve for the port's participation in the project will also be used to dredge the remaining 100-foot areas eastward from the bulkhead walls.

Maintenance dredging of all slips and 100 feet along marginal walls to conform with existing turning basin and channel depth was completed in 1959.

The port will be in financial position to dredge slips 1, 2, and 3 to 37 feet as soon as the turning basin portion of the project is completed.

6. Hold and save the United States free from damages.

The Broward County Port Authority adopted Resolution No. 56 (1958) on September 24, which was accepted by the district engineer as satisfactory assurance that the port authority will comply with the six requirements asked for in the authorizing legislation.

If Port Everglades is to continue its growth and service to the increasing number of vessels, particularly the larger deep-draft tankers, it is imperative that the starting of this project become a reality.

The Port Everglades Harbor, Fla., project, as modified, was set forth in House Document No. 346 (85th Cong., 2d sess.), and authorized by the Rivers and Harbors Act of July 3, 1958 (Public Law 85–500, 85th Cong., 1st sess.)

The Federal cost of the initial construction of this project, as recommended by the U.S. Corps of Engineers on June 30, 1959, was estimated to be $5,655,000, with a benefit-cost ratio of 2.19.

The Bureau of the Budget has submitted to the 86th Congress, 2d session, an expenditure of $750,000 in the 1960–61 budget, to commence work pursuant to the authorized project at Port Everglades, Fla.

The Broward County Port Authority respectfully requests that the Appropriations Committee of the House of Representatives give full consideration to the urgency and necessity of commencing work in accordance with the presently authorized Federal project for the improvement and expansion of the water facilities at Port Everglades, Fla.

EAST COAST INTRACOASTAL WATERWAY

Mr. ROGERS. Now, I would like to call the committee's attention to a request by the undersigned Members of Congress from the Florida delegation in the support of funds for the continued construction of the east coast Intracoastal Waterway from Jacksonville to Miami.

We understand your committee has provided for an economic restudy of this project, and it is our understanding that the report has not yet come from the Corps of Engineers.

We feel that because of the growth of the area the amount requested is a necessity.

May I submit this statement by members of the Florida delegation in the House of Representatives?

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

STATEMENT BY THE MEMBERS OF THE FLORIDA DELEGATION IN THE HOUSE OF REPRESENTATIVES IN SUPPORT OF FUNDS FOR THE CONTINUED CONSTRUCTION OF THE EAST COAST INTRACOASTAL WATERWAY FROM JACKSONVILLE TO MIAMI

Mr. Chairman and members of this distinguished committee, the undersigned members of the Florida delegation in the House of Representatives respectfully request that your committee make adequate provisions for the continuation in fiscal year 1961 of construction south from Fort Pierce, Fla., of the authorized Intracoastal Waterway, Jacksonville to Miami, Fla.

The delegation is not unmindful of the fact that your committee has provided for an economic restudy of this project; also, it is our understanding that at this date the restudy has not been reported to the committee.

However, we desire to respectfully submit—

(1) that this project was authorized by Congress in the light of the expressed understanding that its justification is based upon a combination of economic and defense grounds;

(2) that with the almost doubling of population to be served by the facility, the economic benefits which will accrue have increased;

(3) that regardless of the economic benefits which the current restudy may derive from the formulas ordinarily employed by the Army engineers, the national defense, or war insurance, values of this intracoastal route to the southern area of Florida have vastly increased with the advent of the atomic high-speed submarine, which definitely precludes any reasonable expectation of coastwise transport in time of war;

(4) that we, who are intimately acquainted with conditions in, and the accelerating development of, Florida, are convinced that completion of the work to Miami as authorized is essential to the insured supply of the very large and important military installations in the peninsula, and to the security of our people.

We therefore urge the committee to provide for the uninterrupted continuation of this construction during fiscal year 1961.

Respectfully submitted.

CHARLES E. BENNETT,
Member of Congress, Second Congressional District.
DANTE B. FASCELL,
Member of Congress, Fourth Congressional District.
A. S. HERLONG,
Member of Congress, Fifth Congressional District.
PAUL G. ROGERS,
Member of Congress, Sixth Congressional District.

STATEMENT OF MR. GLEASON STAMBAUGH

Mr. ROGERS. Mr. Chairman, with your permission I would like to insert in the record at this point a statement by Mr. Gleason Stambaugh requesting adequate funds for the further construction of the East Coast Intracoastal Waterway from Fort Pierce southward to Miami. Mr. Stambaugh is chairman of the Florida Inland Navigation District. Also, a statement by Herman W. Schull, Jr.

Mr. CANNON. They will be included in the record at this point.

(The statements follow:)

STATEMENT OF GLEASON N. STAMBAUGH, SR., OF WEST PALM BEACH, FLA., CHAIRMAN OF THE FLORIDA INLAND NAVIGATION DISTRICT, RE THE INTRACOASTAL WATERWAY, JACKSONVILLE TO MIAMI, FLA.

Mr. Chairman and gentlemen of the committee, my name is Gleason N. Stambaugh, Sr. I am chairman of the board of commissioners of the Florida Inland Navigation District. Ours is the official Florida State agency designated by the State legislature to provide and furnish to the United States the rights-of-way, spoil disposal areas, and other easements which may be required by the chief of engineers for this project, and to furnish the Secretary of the Army with the assurances prescribed in the authorizing act.

Please be advised that this agency has given these assurances and has procured substantially all of the rights-of-way, and stands ready to perform all acts required by the authorizing legislation. We are now ready, on our part, for the Army Engineers to continue with construction south of Fort Pierce, Fla.

LIST OF WITNESSES FOR THE PROJECT

(Presented by Henry H. Buchman, engineering counsel to the Florida Inland Navigation District)

Henry Balch, Orlando, Fla.; the Orlando Sentinel.
Frank H. Brownett, Jacksonville, Fla., vice president, Jacksonville Area Chamber of Commerce.
Joe Burnett, Jacksonville, Fla., Duval County commissioner.
John Crosby, Jacksonville, Fla., county engineer, Duval County.
Rear Adm. R. M. Fortson (U.S. Navy, retired), managing director, the Canal Authority of Florida.
State Senator Sam Gibbons, Tampa, Fla.
John Krider, Sanford, Fla., Seminole County commissioner.
Capt. Norman Helfrich, Jacksonville, Fla., executive secretary, Jacksonville Traffic Bureau.
Capt. F. M. Hendry, Tampa, Fla., barge terminal operator.
Capt. A. C. Ingersol, Jr., St. Louis, Mo., president, Federal Barge Line.
Guy Jackson, Anahuac, Tex., president, Texas Reclamation Association.
George King, Cocoa, Fla., Port Canaveral director.
F. A. Mechlin, Joliet, Ill., vice president, A. L. Mechlin Barge Lines.
Dale Miller, Corpus Christi, Tex., executive vice president, Louisiana & Texas Intracoastal Canal Association.
Jack Neilson, New Orleans, La., Neilson Towing Co.
Brailey Odom, Sanford, Fla., business executive.

Capt. F. W. Priestman, Jacksonville, Fla., Florida Canal Navigation District.
W. T. Spalding, Palatka, Fla., Committee of 100.
R. T. Spangler, Fort Lauderdale, Fla., Florida Inland Navigation District.
Gleason H. Stambaugh, Sr., West Palm Beach, Fla., chairman, Florida Inland Navigation District.
Robert Thomas, Tampa, Fla., president, Florida Waterways Committee.
John Wakefield, Tallahassee, Fla., Florida State director of water resources.
George Ware, Leesburg, Fla., president, National Bank of Leesburg.
Julian Warren, Jacksonville, Fla., Duval County commissioner.
Wm. H. Webb, Washington, D.C., executive vice president, National Rivers and Harbors Congress.
Joel Wilcox, West Palm Beach, Fla., manager, port of West Palm Beach.
R. G. Williams, Palatka, Fla., director, Canal Authority of Florida.
Everett Winter, St. Louis, Mo., executive vice president, the Mississippi Valley Association.

ATLANTIC INTRACOASTAL WATERWAY, JACKSONVILLE, FLA., TO MIAMI, FLA.—STATEMENT OF HERMAN W. SCHULL, JR., GENERAL MANAGER

I am pleased to have this opportunity to make a statement about the commerce and traffic on this important segment of the Atlantic Intracoastal Waterway. This waterway is a connected system of channels from Trenton on the Delaware to Miami, Fla. The 12-foot depth became available throughout this waterway north of the St. Johns River, Fla., when the Georgia section was completed in 1941. The Florida section of the waterway is 370 miles long between Jacksonville and Miami. Of this distance, 20 miles are included in the ship channel in the St. Johns River leading to Jacksonville Harbor.

Between 1930 and 1935, a channel of 8-foot depth and 100-foot width was dredged the entire length of the Florida section of the waterway. This channel was of inadequate depth and width for efficient commercial operation and was inconsistent with the balance of the Intracoastal Waterway System. The Rivers and Harbors Act of 1945 authorized a channel of 12-foot depth and 125-foot width from the St. Johns River to Miami. The channel between the St. Johns River and Fort Pierce will be completed to these dimensions by the end of June. Approximately 250 miles of waterway south of Jacksonville will then have been completed; 120 miles of waterway remain to be enlarged.

Lands for the right-of-way of the entire waterway, including the uncompleted section south of Fort Pierce, have been procured by the Florida Inland Navigation District, and the necessary title has been conveyed to the United States. This right-of-way is 500 feet wide in open water sections of Indian River, Lake Worth, and Biscayne Bay, and generally 300 feet wide in other sections. Except for minor channel realinement, no additional right-of-way will be required.

The cost of the 12-foot project from the St. Johns River to Miami was estimated by the Corps of Engineers as $19,200,000. The estimate includes Government engineering, contingencies and overhead costs, and reflects 1959 construction price levels. Allowance has been made for 5.3 miles of channel that have been excavated to proper channel dimensions in Palm Beach and Broward Counties by local enterprises. The cost of uncompleted work between Fort Pierce and Miami is about $11,600,000.

The waterway from Jacksonville to Miami has had a notable increase in traffic already. In 1951, the year following initiation of the enlargement, the tonnage increased to 520,670 tons, and by 1956 it was 1,451,200 tons. For the 5 years prior to this date the tonnage averaged 316,508 tons, with little perceptible growth from year to year. This growth is more than 1 million tons in 5 years, and the commerce in 1956 is fourfold the 5-year average before the improvement.

The traffic is now carried in shallow-draft barges towed by tugs at greater cost per ton-mile and with less economy than would be possible in deep draft equipment used on the Gulf Intracoastal Waterway.

Most traffic now is fuel, gasoline and stone products from origins and to destinations in south Florida. Producers of concrete aggregates and stone products have pointed out that the movements of these items over the waterway from Dade County to counties in the north as far as Fort Pierce would greatly increase with an improved channel. The oolitic limestone of Dade County is one of the main sources of crushed rock in the State. Petroleum is distributed from Port Everglades by barge and truck, throughout southeast Florida. This

port has become the major port of entry for petroleum products, because channel depths are available for supertankers.

Common carrier service has not developed from northern U.S. ports to south Florida, because of high operating costs and excessive damage to barges and tugs. Frequent groundings on shoals, narrow bridge openings and lack of channel depth have been the discouraging factors. Common carrier service does exist between northern ports and Jacksonville, where a variety of commodities in small lots are moved on twice-weekly schedules. There is a definite demand for dependable long-haul service to south Florida.

Despite the limitations, the growth in traffic between 1950 and 1957 has averaged over 10 percent per year. This growth is remarkable, but is by no means an isolated example. The improvement of the Atlantic Intracoastal Waterway north of the St. Johns River to a depth of 12 feet was completed about 1945. The increase in traffic has been notable since this improvement. The annual increases on the various sections of the waterway is between 5 and 15 percent per year.

The economy of the Florida east coast, which is the region served by the waterway, shows a marked upward trend in all phases. In fact, the Florida east coast is expanding economically at a geometric rate. Yet the expansion of waterborne commerce on the Intracoastal Waterway has kept pace with other phases of economic development, as can be seen in this comparison:

	Annual increase in percent
Waterborne commerce,[1] 1950–57	11.3
Population, 1950–55	7.35
Retail sales,[2] 1950–55	14.2
Bank deposits,[3] 1949–56	10.0
Electric power,[3] 1950–56	11.5
Construction (new), 1950–55	10.9
Gasoline consumption,[3] 1950–57	11.0
Value added by manufactures,[3] 1950–56	14.0

[1] Jacksonville-Miami section, Atlantic Intracoastal Waterway.
[2] Broward, Dade, and Palm Beach Counties.
[3] Florida as a whole.

The prospective commerce for the improved waterway was based on a series of market studies carried out by the Bureau of Business and Economic Research of the University of Miami. For the potential commerce, it was considered necessary to study the growth of population and industry in order to develop future growth trends. The results of this study established that a population growth of 254 percent and a growth in value added by manufactures of over 1,200 percent could be expected from the tributary area of southeast Florida over the life of the project, which was assumed to be the period 1965 to 2015.

Transportation savings are based on the reduction in operating cost per ton-mile for commodities now moving on the waterway. This saving was found to average 3 mills per ton-mile. Freight rate studies were made for new commodities which would be attracted to the waterway.

Measured against the additional funds necessary to complete the project, there is now available prospective traffic which will realize an annual savings of $790,000 yielding a benefit-cost ratio of 1.8 to 1.0.

From the viewpoint of national defense, the project is believed to be of great merit. The menace of enemy submarine action is greater than ever. As an insurance against war losses, the project continues to be justified without considering the transportation savings.

It is concluded that the improved channel is essential to economical long-haul barge operations and to the expanding economy of Florida. The work of improvement is justified by a wide margin, by savings on prospective and potential traffic.

The Florida Inland Navigation District recommends that the work be prosecuted without interruption as rapidly as an orderly and economical program will permit, and that for this purpose an appropriation of $2,500,000 for the fiscal year 1961 be made.

PALM BEACH COUNTY BEACH EROSION

Mr. ROGERS. Also, I would like to call to the attention of the committee the budget item of $118,200, which amount is requested by local interests as reimbursement for the Federal share of the initial construction and maintenance of a sand transfer plant as part of the Palm Beach County beach erosion control program.

I would like to file this statement for the record.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

STATEMENT OF CONGRESSMAN PAUL G. ROGERS IN SUPPORT OF THE BUDGET ITEM OF $118,200 FOR THE REIMBURSEMENT OF LOCAL INTERESTS FOR FUNDS EXPENDED ON THE LAKE WORTH INLET-SOUTH LAKE WORTH INLET EROSION CONTROL PROGRAM IN PALM BEACH COUNTY, FLA.

Mr. Chairman and distinguished members of the committee, the budget for the 1961 fiscal year contains an item of $118,200, which amount is requested by local interests as reimbursement for the Federal share of the initial construction and maintenance of a sand transfer plant as part of the Palm Beach County beach erosion control program.

This program was initiated pursuant to the Rivers and Harbors Act of 1958 at an estimated cost of $5,370,000, $410,000 to be provided by the Federal Government and $4,960,000 to be borne by local interests. The approved program provided for the construction of a sand transfer plant and for periodic beach nourishment. The sand transfer plan was completed and has been operating since August of 1958. Substantial benefits have already begun to accrue as a result of this operation.

To date, the Federal Government has appropriated $27,000 as its share of preauthorization study cost. The $118,200 item included in this year's budget will constitute the first payment under its construction obligation, leaving a balance due local authorities of $264,800.

Mr. Chairman, I respectfully request that this reimbursement item of $118,200 be considered favorably by the committee.

BEACH EROSION STUDY

Mr. ROGERS. Mr. Chairman, there is one more statement, which is a request of the Broward County Interim Erosion Committee for an appropriation for a beach erosion study.

Mr. CANNON. The statement will be included in the record at this point.

(The statement follows:)

REPORT ON BEACH EROSION PROBLEMS IN BROWARD COUNTY, FLA., AS SUBMITTED BY C. KAY DAVIS, CHAIRMAN, BROWARD COUNTY INTERIM EROSION COMMITTEE

The serious nature of shoreline and beach erosion in Broward County is of great concern to local authorities and to a fair segment of our people who have been, directly or indirectly, made aware of the situation. This concern has resulted in our legislative delegation, during the 1959 session of the State legislature, introducing and passing legislation to create the Broward County Interim Erosion Committee, a seven-man committee appointed by Governor Collins of Florida, this committee charged with making a study of the erosion problems in Broward County, and required to make a formal report on its findings, with recommendations for possible solution, to the legislative delegation prior to the 1961 session of the State legislature.

The committee came into existence last September and since then we have been meeting regularly and frequently with all the best posted authorities on erosion matters in this area. Such able men as R. O. Eaton of the beach erosion board, Dr. Per Brunn of Coastal Engineering Laboratories, Mr. Joseph Caldwell, chief of research division, beach erosion board, Mr. T. K. Hodges and Colonel

Gee, of the U.S. Army Corps of Engineers retired, Mr. Stephen Middleton of Palm Beach County, Mr. Thomas Brannen and other active engineers of the Jacksonville district office, Corps of Engineers, have appeared before the committee. Without exception these experienced authorities classify the erosion problem of Broward County as serious, and becoming increasingly more serious, with some remedial measures being urgently required.

Of course, beach erosion has being going on gradually and steadily for many years, sometimes aggravated by tropical storms. However, there was not too much concern until recently, due first to the lack of development of our beach front and then to the fact that even though our beaches were eroding there was still sufficient beach left for general purposes. These things are no longer true in Broward County. Our beach front has now been developed to a great extent and this development will continue. Consequently, our beach frontage has a much greater value and greater usage than heretofore. The value of beach sand has increased manyfold in this development. Furthermore, our supply of beach sand is becoming exhausted and no longer can a gradual loss of sand be tolerated as there is no backlog on most sections of our beach. This is particularly true at the north end of our county south of Hillsboro Inlet, and at the south end of our county south of Port Everglades Inlet. In some cases, particularly at Hillsboro, Pompano Beach, and Deerfield, the beach has almost disappeared and you have, no doubt, been advised of the recent actual damage to structures along the ocean front in these areas.

This matter of erosion of our beaches, and the damage to beach front property incidental thereto, will have a depreciating effect on the economy of the entire community. One of the foremost candidates for the Democratic nomination for Governor, in the forthcoming primary election, stated in a recent speech at Tampa that the tourist industry represented 65 percent of the total economy of the State of Florida. His statement is undoubtedly based on sound fact and research. In Broward County the percentage of tourist business, to the total economy, is even higher and in checking with our chamber of commerce they tell us the figure in Broward County would be in excess of 70 percent. There is little question of the fact that the beaches of Florida are the essential attraction to our tourist billion dollar business and they must be preserved to maintain this major portion of our economy and the benefits derived therefrom on a statewide basis. Continued erosion damage to our beaches will also result in general deterioration of property values, and the accompanying loss of tax revenue. Competent conservative engineering estimates acknowledge that between 300 and 500 acres of valuable beaches are lost each year in Florida to the forces of erosion. The problem is most severe along the lower east coast, including Broward County, where a major portion of our population and tourist economy are concentrated. In some sections of this area shoreline recession of 20 to 30 feet per year is not uncommon.

In our studies to date and from our conversations with the outstanding erosion authorities with whom we have talked, our committee has come to the firm conviction that some program of beach rehabilitation in Broward County is urgently needed. As to the solution to recommend, our committee has not yet reached definite conclusions. As you know, Broward County has requested that a study of our beach problems be made by the U.S. Army Corps of Engineers and formal application for that urgently needed study has been made. This study is of particular urgency to Broward County since, due to the advanced state of development in Broward County, it is most unlikely that any appreciable amount of beach material could be obtained from our waterways, as is possible elsewhere. It is most likely that the solution to our erosion problems will lie in some means by which sand can be economically brought back from the ocean floor to the beach, or some system of redirecting the littoral drift of sand along our shore by sand-bypassing plants. A system of groins, spaced at regular intervals along the shore, may be necessary to help hold the reestablished beaches. All of this is an engineering problem to be based on data accumulated in accord with the recommendations in the study we have requested be made by the Corps of Engineers, which, among other things, will determine the availability of sand on the ocean floor. We would ask them to give priority to that phase of their report.

The trustees of the internal improvement fund of Florida have agreed to participate in the estimated $50,000 cost of this study, to the extent of one-half of the expense chargeable to Broward County. Broward County is ready with its portion of the study expense, this portion being shared on an equitable

basis with the various municipalities in the county. The municipalities are aware of the urgent need for the data to be obtained through the requested study and have offered their full cooperation as expressed at one of our recent meetings at which city and county officials were present. It is therefore extremely urgent that the Federal portion of the funds for this study ($25,000) be made available through the Washington Beach Erosion Board at the earliest possible time.

So, in summary, we respectfully solicit your interest and consideration of the urgent needs of Broward County to the extent that you will see fit to make available the required Federal funds for this requested erosion study so that this much needed project can be started promptly.

Mr. ROGERS. I want to say on the flood control program in conclusion that it is a project that is already proving its worth, and that the local interests have done everything this committee has asked and everything the Engineers have asked and have boosted their local contribution to almost 50 percent of the overall total cost of the project.

We appreciate the consideration the committee has given us.

Mr. CANNON. Thank you, Congressman Rogers.

TUESDAY, APRIL 12, 1960.

INTRACOASTAL WATERWAY, CALOOSAHATCHEE RIVER TO ANCLOTE RIVER

WITNESSES

HON. JAMES A. HALEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

HON. PAUL G. ROGERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

HON. WILLIAM C. CRAMER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

HON. J. HARDIN PETERSON, SPECIAL COUNSEL FOR WEST COAST INLAND NAVIGATION DISTRICT

Mr. CANNON. Mr. Haley of Florida.

Mr. HALEY. Mr. Chairman and gentlemen of the committee, I have a prepared statement which I would like to have permission to file in the record.

Mr. CANNON. It will be made a part of the record at this point.

(The statement follows:)

Mr. Chairman and members of the committee, I appear on behalf of and urge the inclusion in the appropriation bill the sum of $2 million approved by the Budget to be used in the construction of the Intracoastal Waterway from the Caloosahatchee River to the Anclote River in Florida. This project was authorized many years ago but was delayed due to the working out of rights-of-way and on account of the no-new-projects policy. Appropriation was made to begin construction last year. The details of the project have already been explained by representatives of the Corps of Engineers.

This project is important not only to Florida but to the entire Nation. It will run from Punta Rassa, just outside Fort Myers, to Tarpon Springs in Florida. While the distance is 148 miles certain existing waterways and natural waterways will be used so that the total, overall cost is low in comparison to the mileage. It will serve Charlotte Harbor-Boca Grande and Tampa Harbor, the two largest phosphate shipping ports in the world. It will also serve St. Petersburg Harbor. All these are deep sea harbors. It will also serve the

harbors for barge traffic and small boats, Caloosahatchee, Fort Myers, Charlotte Harbor-Punta Gorda, Caseys Pass (Venice Inlet), Manatee River to Bradenton and Anclote River (Tarpon Springs) and will make accessible these areas and other small harbors for use by barges and small craft. It is important and will reduce costs of the Coast Guard in providing harbors of refuge in protected waterways for many small craft and fishing vessels.

Nationally it is important, as shown in the original document, House Document 371, 76th Congress, 1st session, because it affords a suitable exit to the north for the craft using the Okeechobee Cross Florida Canal, which in turn connects with the East Coast Intracoastal Waterway, and will serve as a connecting link for the Intracoastal Waterway between Boston and Corpus Christi and provide an economic means for collecting and distributing freight for the deep sea harbors at Tampa, St. Petersburg, and South Boca Grande. The great phosphate industry lies within this area, mostly within my district, and the sulfur from Texas and Louisiana, which is used in processing phosphate, and many other commodities, including petroleum products, can move over this waterway.

This project has been authorized, the appropriation approved for the budget, this committee has very kindly made the appropriation to start it. It is important to the national economy and to my district.

Some questions have been raised and there are some objections to the route in the Venice area. Several routes have been suggested and studied and this route was approved by Congress after special studies by the Corps of Engineers and at that time there was no objection from Venice, but approval by Venice. I don't want to get involved in locations and I don't want a dispute as to the location to delay the appropriation and the work on this important project. It is difficult in a waterway of the magnitude of this one to work out a route acceptable to everyone.

Local interests have raised approximately $1,875,000 and have acquired more than 95 percent of the right-of-way.

I appreciate the interest this committee has already manifested in the project and I urge this appropriation.

STATEMENT OF REPRESENTATIVE PAUL G. ROGERS OF FLORIDA

Mr. HALEY. I also have a written statement by Congressman Paul G. Rogers which I would like to have included in the record at this point.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

STATEMENT OF CONGRESSMAN PAUL G. ROGERS IN SUPPORT OF THE BUDGET ITEM OF $2 MILLION FOR FURTHER CONSTRUCTION OF THE WEST COAST INTRACOASTAL WATERWAY FROM THE CALOOSAHATCHEE RIVER TO THE ANCLOTE RIVER, FLA.

Mr. Chairman and distinguished members of the committee, I appreciate the opportunity to appear today in support of the $2 million item requested in the budget for the fiscal year 1961 to continue construction on the West Coast Intracoastal Waterway from the Caloosahatchee River to the Anclote River in Florida.

This project was authorized by the Rivers and Harbors Act of 1945 and was subsequently modified by the Rivers and Harbors Acts of 1948, 1950, and 1954.

As a result of the original authorization, the six counties involved immediately organized a navigational district and levied taxes to raise the amount needed to meet the non-Federal share of the total cost of the project. To date taxpayers of the West Coast Inland Navigation District have raised approximately $1,875,000 of the non-Federal cost estimated at $4,590,000. The Federal Government, on the other hand, has appropriated $935,000 of the estimated Federal costs of $8,800,000.

The West Coast Intracoastal Waterway is a unit of the Intracoastal Waterway system between Trenton, N.J., and Brownsville, Tex. When completed it will provide a sheltered route along a portion of the southwest coast of Florida and will provide a suitable route to the north for craft now using the Okeechobee waterway. It will also furnish a means for collecting and distributing freight for deepwater harbors at Tampa, St. Petersburg, and Boca Grande. Almost every city or town along the West Coast Intracoastal Waterway has good or

adequate port and protected harbor facilities. These have flourished despite the absence of a protected waterway and can reasonably be expected to grow and expand still further once this project is completed. In addition to the major ports of Tampa and St. Petersburg commercial barges and other craft can be serviced at Tarpon Springs, Sarasota, Fort Myers, and at various protected harbors in Manatee County. The overall benefit-to-cost ratio of the project has been determined to be 1.5 to 1.

Another aspect to be considered in support of the early completion of this segment of the Intracoastal Waterway system is its relation to our defense posture. When completed, it will afford a sheltered avenue of transportation for commercial cargo vessels carrying commodities for use by the various military installations in central and southern Florida. Its value in time of war is readily discernible when we remember how enemy submarines wreaked havoc on American coastal shipping during World War II. The entire Nation stands to receive benefit from the completion of this link of the waterway system. The cost is relatively slight, the potential benefits tremendous. The right-of-way is 95 percent secured and the engineering completed. Congress took cognizance of this fact when it provided $546,000 to initiate construction during the current fiscal year, even though no money was included in last year's budget for this purpose.

Mr. Chairman, I respectfully request that the $2 million item budgeted this year for the West Coast Intracoastal Waterway be approved that construction work on this important project may continue in an orderly manner.

Mr. HALEY. Now, if I may, I know you are pressed for time, but I would like to ask the committee to recognize the Honorable J. Hardin Peterson, a former Member of Congress from Florida and special counsel for the West Coast Inland Navigation District.

Mr. CANNON. We are glad to have Congressman Peterson with us. He served with great distinction in the House for many years. I personally regretted his retirement.

Off the record.

(Discussion off the record.)

STATEMENT OF MR. J. HARDIN PETERSON

Mr. PETERSON. Thank you, Mr. Chairman.

Mr. Chairman, I ask permission to include in the record a prepared statement in the interest of time.

Mr. CANNON. It will be included in the record at this point.

(The statement follows:)

My name is J. Hardin Peterson, Sr., and my address is P.O. Box 111, Lakeland, Fla. I am special counsel for the West Coast Inland Navigation District, whose address is Court House, Bradenton, Fla. This is a governmental body organized under the laws of the State of Florida.

The district was organized for the primary purpose of acquiring right-of-way and spoil areas and seeing that the requirements for the local cooperation were provided. It is supported entirely by taxes.

The project was authorized by the Rivers and Harbors Act of 1945, Public Law 14, and is described therein as "Intracoastal Waterway from the Caloosahatchee River to the Anclote River, Fla.; H. Doc. 371, 76th Congress." Subsequently amendments were made as to routes and there were delays on account of the policies of not starting new projects, but construction funds were provided in part last year and the budget has approved an item this year which can be advantageously and economically expended.

This project serves great phosphate and citrus producing areas on the west coast of Florida. It will serve the two largest phosphate ports in the world, Tampa and Boca Grande. The needs of the phosphate industry tie very closely in with the supplies furnished by Texas and Louisiana in that sulfur is important in the processing of phosphate. Shell, lumber, building materials, sulfur and petroleum products can be moved from Texas and Louisiana and down the

Mississippi to these ports and phosphate rock can be shipped by barge to fertilizer plants in various areas. It will connect with the Okeechobee Waterway and the East Coast Intracoastal Waterway and will be an important link in the Intracoastal Waterway from Texas to New Engand. It will furnish many havens of refuge for small craft and fishing boats and will be a safety factor in protecting this craft from squalls and reduce some of the problems of the Coast Guard. It is an important, economically sound waterway. This great committee has recognized this by its previous action.

I am not unmindful of the fact that there is some opposition to part of the route in the Venice area. Neither the West Coast Inland Navigation District nor I have been wedded to any particular route. Alternate route C–1, about which some complain, was the route selected by a large group meeting in Venice and subsequently studied by the Corps of Engineers and subsequently approved by Congress. We do not, however, want the study of any new proposed route to delay the construction or the appropriation for construction because this project has been delayed by wars, no-start policy and acquisitions of right-of-way in the past.

The West Coast Inland Navigation District has already raised approximately $1,875,000 and has spent vast sums in acquiring more than 95 percent of the right-of-way required. Delay will result in increasing costs and in a project of this kind it is necessary that there be certain advance planning and timing with reference to bridges, etc. These things are well known by this committee by reason of its long experience.

It is a pleasure to appear before the committee. I appreciate the earnestness and thoroughness with which they go into this project and I respectfully urge the appropriation.

Respectfully submitted.

Mr. PETERSON. I am appearing in behalf of the appropriation for the West Coast Inland Navigation Intracoastal Canal, and I appear as special counsel for the West Coast Inland Navigation District, which is a governmental agency made up of the six counties through which the canal goes.

This is the same project Mr. Brohard appeared in opposition to on behalf of the city of Venice. This route in controversy was picked by the people of Venice. In the files are petitions filed by the people of Venice for this route. Any route today that is acceptable to the Corps of Engineers would be acceptable to us, but we are in this position:

Last year you kindly gave us an appropriation of approximately $500,000 for the engineering work scheduled, and then there is the budget item for this year. We would like to have the amount that has been budgeted.

This project is not only a local need, but it will be the connecting link in the Intracoastal Waterway from Texas to New England. The original document refers to the project as the Intracoastal Waterway from the Calloosahatchie River to the Anclote River, Fla.

This project serves great phosphate and citrus-producing areas on the west coast of Florida. It will serve the two largest phosphate ports in the world, Tampa and Boca Grande. The needs of the phosphate industry ties very closely in with the supplies furnished by Texas and Louisiana in that sulfur is important in the processing of phosphate. Shell, lumber, building materials, sulfur and petroleum products can be moved from Texas and Louisiana and down the Mississippi to these ports and phosphate rock can be shipped by barge to fertilizer plants in various areas.

In House Document 109 of the 85th Congress, which dealt with the Venice proposal itself, the Corps of Engineers pointed out that this route C–1 was the most feasible route and the one that had approval

of local interest. There is no way of picking out a perfect route for a canal or for a road or a post office. The city of Venice in 1951 and 1953 approved this route.

Mr. BOLAND. But not in 1960?

Mr. PETERSON. No, sir. Today they are opposed to this particular route, but a great number of the people in Venice still want this route. It is purely a local question as to where it goes.

Mr. BOLAND. When you say a great number, what is a great number?

Mr. PETERSON. The petitions ran into several hundred.

Mr. BOLAND. How many people live in Venice?

Mr. PETERSON. I do not know the population. It has grown rapidly. But I sat in a meeting where they voted on this route and submitted it. We have had no brief for any route. At one time when I was still in the House in one of the authorizations I got an amendment providing for any route approved by the Corps of Engineers.

Mr. BOLAND. You ought to be able to get together.

Mr. PETERSON. That is right, we should and we are willing but we do not want the appropriation held up on that account.

Mr. BOLAND. I have seen this project and I like it, but I think you people ought to get together.

Mr. PETERSON. Yes, but we do not want to hold up the appropriation.

Mr. BOLAND. What is the length of the canal in Venice?

Mr. PETERSON. Only 4 miles. We have studied and restudied it and we would not want it sent back for another study. In the second amendment to this act—no, it was the third one—we provided any route that was acceptable to the Chief of Engineers. We had four routes at one time, and then we said we would take any that was acceptable to the Corps of Engineers and they came up with this route C–1, which is the one adopted. We would like to work it out locally, but the time is right for the project. We have spent over $800,000 in acquiring rights-of-way and the people were discouraged we would never get our canal, and it was a happy day when we got the appropriation you gave us last year.

Mr. BOLAND. You are spending dollars considerable over and above that?

Mr. PETERSON. Yes. We had to scratch to get our local money. We have to bear a high proportion of the cost.

I am afraid I am taking up too much of your time, but this is a thing I have lived with for many years. I introduced the legislation when I was here, and 2 or 3 years after I got back they hired me and I have nursed it the best I can since then.

I will not take up any more of your time. You have other people waiting.

Mr. CANNON. Thank you, Mr. Peterson.

Off the record.

(Discussion off the record.)

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. I am glad to see Mr. Peterson. I understand the man who opposed the project was the mayor of Venice?

Mr. PETERSON. Yes, he is the mayor and I have very high regard for him.

Mr. CANNON. He brought credentials certified by the city council, very complete credentials.

Mr. PETERSON. Yes. At the present time his council is opposed to it. We do not care which route it is, but we do not want to hold up the appropriation.

Mr. FENTON. This is a city of 20,000, I believe?

Mr. HALEY. No, sir.

Mr. PETERSON. I do not know what the population is, but I do not think it is that much. It is growing rapidly.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. FENTON. Mr. Chairman, the thought I had in mind was that this man who is the mayor has to go before the electorate for an election. Was that an issue of his campaign at any time?

Mr. PETERSON. I do not think it was. This problem has come up since then. I do not think it was an issue at the time he was elected. The people are split.

And I will repeat, we are not wedded to this or any other route. The route they want would save us some headaches. But this is the presently approved route. If the Corps of Engineers would accept something else without any delay, it would be something else. But we want to get our appropriation. We have been studying routes since 1945. We have studied seven routes, and this is the one the Engineers recommend.

Mr. CANNON. Of course that is a local problem.

Mr. PETERSON. That is correct.

Mr. CANNON. It is not one with which we can deal.

Mr. PETERSON. That is right.

Mr. CANNON. But you realize so long as there is such a wide difference of opinion it will be difficult for us to appropriate the money unless you very expeditiously settle this problem.

Mr. ROGERS. If I may say on this point, that question has been considered four times. We and this committee must depend on expert knowledge of what is the best route, and the Engineers, after looking at this four times, have come up with this as the best route. It is hard for us as laymen not to take their expert engineering advice. We have to depend on the Engineers and take their advice. They known what is best on these things.

Mr. CANNON. We have a certificate here made out before a notary public signed by all members of the city council and bearing the seal of the municipality saying that Mayor Brohard represents them, the entire council and city officials, and it says they are in opposition to the project.

Mr. ROGERS. Yes, sir. I am sure of that. I do not doubt that. What I am saying is that we do have objections once in a while but we have to depend on the Engineers, who have testified they are for the project, and they have selected the most reasonable and efficient route. We hope the committee will consider that.

Mr. CANNON. I visited this city and it is a very delightful community and I would regret to see it despoiled.

Mr. ROGERS. We would too.

Mr. PETERSON. They approved this route in 1951, 1953, and 1955, and the Corps of Engineers in the last report specifically said this is the most feasible route.

The main thing is we do not want the appropriation held up. It is a local problem, but there are only 4 miles in the area where there is a dispute.

Mr. CANNON. When do you expect to determine the matter?

Mr. PETERSON. We do not know. It would be up to the Corps of Engineers. If we sent back for a survey it would be 2 years before it came back. We have spent $800,000 getting rights-of-way. At the present time if we proceed there is a lot of dredging going on in Florida and the Corps of Engineers can coordinate and use the dredging being done down there and tie it in to this.

We have gone through this over and over as to various routes. This opposition usually comes up just at the time of the appropriation. Some people do not want the canal.

So far as this appropriation is concerned, there is a balance of 147-odd miles that could be dredged with this appropriation, and there are only 4 miles of controversy, so there is no reason to disapprove the appropriation this year.

Mr. CANNON. It seems to me this is a matter that should be promptly disposed of, but it must be disposed of locally. This committee has no jurisdiction over that.

TUESDAY, APRIL 12, 1960.

JOHN W. FLANNAGAN DAM AND RESERVOIR—HAYSI RESERVOIR—NORTH FORK OF POUND RIVER RESERVOIR

WITNESS

HON. W. PAT JENNINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA

Mr. CANNON. Congressman Jennings of Virginia.

Mr. Jennings, I believe you are interested in the John W. Flannagan Dam and Reservoir?

Mr. JENNINGS. Yes. I want to file a statement for the record and be very brief in my presentation.

Mr. CANNON. Your statement will be included in the record at this point.

(The statement follows:)

Mr. Chairman, members of the subcommittee, my appearance before this subcommittee today is in behalf of the appropriation requested for the John W. Flannagan Dam and Reservoir in Dickenson County, Va. (This project was known, and is still listed in the documents submitted in the fiscal year 1961 budget, as the Pound River Dam and Reservoir. Public Law 86-189 last year changed the name to honor the late Congressman John W. Flannagan.)

May I, before proceeding with a few comments on the need for an appropriation to continue construction, express to you the sincere thanks of my constitu-

ents and the people of the Big Sandy River Basin for your action last year in writing into the appropriation bill sufficient funds to complete planning and initiate construction of this flood protection project. You will recall that the budget for the fiscal year 1960 called for only $194,000 in planning funds, but that in reporting the bill you included the $2.5 million that I requested to not only finish the planning but to begin actual construction.

The $2.5 million was in the first bill vetoed by the President, and was reduced to $2,438,000 in the second bill that eventually became law when the second veto was overridden. The district engineer, Corps of Engineers, has received an initial allocation of $1,400,000 of the fiscal year 1960 appropriation. He has awarded a $970,357 contract for a diversion tunnel at the damsite, and has invited bids on a $400,000 access road.

As you can see, the Flannagan project is beginning to "get off the ground" as the result of last year's appropriation of funds.

In contrast with last year, when there was no budget request for construction funds, the budget proposed for fiscal year 1961 includes a request for $3.1 million to continue construction on reasonable schedule. I certainly urge that you include at least the requested amount in the appropriations bill to be reported to the House.

The John W. Flannagan Dam and Reservoir is a key project in the series of flood protection reservoirs planned in the headwaters of the Big Sandy River. Because of the funds approved by the Congress over the past three sessions, the project is now underway. The danger of floods has not lessened. In fact, because of the heavy snows in February–March, the people in the areas to be protected by the Flannagan facility, and the others proposed, kept an anxious eye on the weather for fear of a sudden warming and thawing of the snow. Had such occurred, we would have had a devastating flood similar to that of 1957.

Therefore, let us continue the construction of this flood protection facility by appropriating the $3.1 million needed by the Corps of Engineers to carry its work in fiscal year 1961.

It had been my hope that I could appear before you in behalf of funds for two other projects proposed in my district, the Haysi Reservoir and the North Fork of Pound River Reservoir. However, there is no budget request for planning funds pending completion of certain actions on these two projects.

The Haysi Reservoir was authorized by the Flood Control Act of 1938, and is one of the four reservoirs recommended by the completed survey report on the Big Sandy Basin (H. Doc. 184, 86th Cong.). The project is economically feasible when considered as one of the four-reservoir system; it is not favorable at this time when considered as an individual project. The district and division engineers have completed a new economic feasibility study of the Haysi project and have submitted recommendations to the Chief of Engineers. However, the Chief's review of these recommendations has not been completed.

If the corps recommends this project for construction before your bill is reported, I would hope that initial planning funds of $50,000 could be included in the appropriation for fiscal year 1961. I will communicate with you should this report be completed and is favorable.

The second additional project is the North Fork of Pound River Reservoir. The corps has recommended this project, and a bill that I introduced last year to authorize its construction was incorporated into the omnibus rivers and harbors bill (H.R. 7634) that has passed the House. The Senate has not yet approved this authorization bill, which prohibits the inclusion of planning funds in the appropriation bill at this time.

If the bill should become law before you act on the appropriation bill, I will communicate with you regarding planning funds. It would be my hope that $25,000 in planning funds could be included in the bill for fiscal year 1961.

In conclusion, let me express my interest in the Fishtrap Reservoir located just across the Virginia border in Kentucky. You have already heard testimony from a citizens' delegation and the congressional representatives interested in this project. Let me urge that you provide sufficient funds in the appropriation bill to complete the planning and begin construction of Fishtrap Dam and Reservoir in the coming fiscal year.

May I again express my thanks to you for your action in providing construction funds for the John W. Flannagan (Pound River) project in the bill

last year, and assure you of my support for the work of this subcommittee in promoting the development of flood control projects and utilization of our Nation's water resources.

Thank you.

Mr. CANNON. You may proceed.

Mr. JENNINGS. First I want to thank the subcommittee for the fine consideration you have given us in the Ninth District of Virginia over the years, and especially for the inclusion last year of enough money to get the John W. Flannagan Dam and Reservoir underway. It means a great deal because we are always threatened with floods. This year we had anxiety due to the runoff from the tremendous amount of snow we had in that section.

There are two other projects proposed in my district that I would like to mention.

One is the North Fork of Pound River Reservoir. The corps has recommended this project, and a bill that I introduced last year to authorize its construction was incorporated in the omnibus authorization bill that has passed the House, but the Senate has not yet approved this bill. If that is passed, I hope funds might be included in this appropriation bill for planning, probably $25,000.

We are also expecting momentarily a report from the Engineers relating to the Haysi Reservoir, and if the corps recommends this project for construction before your bill is reported, I would hope that initial planning funds of $50,000 could be included for that too.

Thank you, Mr. Chairman.

Mr. CANNON. Thank you, Mr. Jennings.

TUESDAY, APRIL 12, 1960.

FLORIDA FOUR RIVER BASINS STUDY

WITNESSES

HON. JAMES A. HALEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
HON. WILLIAM C. CRAMER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA
JOHN W. WAKEFIELD, FLORIDA DEPARTMENT OF WATER RESOURCES
J. B. THORNHILL, COUNTY COMMISSIONER, POLK COUNTY, FLA.
JULIAN DURRANCE, COUNTY COMMISSIONER, POLK COUNTY, FLA.

Mr. CANNON. We will now hear from Mr. John Wakefield of the Florida Department of Water Resources on the four river basins study.

Mr. HALEY. Mr. Chairman, could I be recognized to file a statement on this project?

Mr. CANNON. Yes. The statement will be made a part of the record at this point.

(The statement follows:)

Mr. Chairman and members of the committee, I appear before the committee on behalf of the Florida four river basins study. Authority exists for the study of the Withlacoochee, Oklawaha, Hillsborough, and Peace Rivers as sepa-

rate basins. The proposal here to combine the authorities is a logical one, particularly in view of the fact that the four rivers are related to the extent that they all have a common source area, the Green Swamp. We believe that this common relationship between the four river basins and the problems of flood control and water supply to central Florida justifies the authorization and appropriations for the four basin study.

The Green Swamp is an 800-square-mile area in central Florida that roughly blankets the piezometric high of peninsular Florida. This key area contributes considerably to both the flood problems and the water supply problems of a large part of Florida.

Out of this high swamp area flows the Withlacoochee, Oklawaha, Hillsborough and Peace Rivers. Several counties bordering these rivers were recently declared flood emergency areas by the President, following heavy rainfall. The rapid increase of agricultural, industrial, and urban use of both land and water in the basins of these four rivers in accelerating the need of widespread water control in the Green Swamp and the streams emerging from it.

The control of the Green Swamp and the four river basins is important to areas far beyond their limits. The entire breadth of peninsular Florida for a distance of 150 miles north and south depends to a large extent upon artesian sources for the water supply for agricultural, industrial, and domestic uses. The ultimate control of the Green Swamp and the streams flowing from it will contribute to the continuance of this supply.

Mr. HALEY. Mr. John Wakefield is appearing before the committee, and I want to state to the committee that we have in the audience Commissioner J. B. Thornhill and Commissioner Julian Durrance from Polk County, Fla., who are also interested.

Mr. CANNON. Mr. Wakefield, you may proceed.

STATEMENT OF MR. JOHN W. WAKEFIELD

Mr. WAKEFIELD. Mr. Chairman, I have a letter from the Governor of Florida addressed to you as chairman of the committee, endorsing this project.

Mr. CANNON. The letter will be included in the record at this point.

(The letter follows:)

STATE OF FLORIDA,
Tallahassee, April 8, 1960.

Hon. CLARENCE CANNON,
Chairman, Subcommittee on Public Works,
Appropriations Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have asked our director of water resources, Mr. John W. Wakefield, to present a statement before your subcommittee endorsing and supporting the request of our Florida delegation for an appropriation of $100,000 to the U.S. Army Corps of Engineers to make a reconnaissance study of flood control and water conservation needs in the Withlacoochee-Oklawaha-Peace and Hillsborough River Basins in central Florida. The Florida State Board of Conservation has unanimously endorsed this request and urges serious consideration by your committee.

The proposed study is needed to chart a program by which disastrous floods and prolonged droughts may be reduced in numbers and severity. The continuing development of urban areas and the clearing of forests for agricultural pursuits in Florida will tend to increase the severity of droughts and floods unless water control is instituted.

Local and State agencies have already taken the initiative to accomplish water control, but the State is developing so rapidly that local efforts have not been able to keep pace. The extent of local participation is indicated by the fact that 10 of the 16 counties which would be within the proposed project area already have some form of official water control authority and efforts are underway to form a single water control authority to cover the entire area.

You will, likewise, have presented with our endorsement requests for appropriations for the Cross-Florida Barge Canal and for the Florida west coast inland waterway channel. Please note that this proposed flood control and water con-

servation study is in no way inconsistent with these navigation projects and the flood and conservation project which might result from this study are complementary, one to the other. The Cross-Florida Barge Canal, for example, would provide enlarged outlets from both the Withlacoochee and the Oklawaha Rivers which are now inadequate to carry flood waters. Similarly, the flood and water conservation project would aid the Cross-Florida Barge Canal project by providing more uniform flows and more dependable sources of water than can now be obtained.

Your consideration of these factors will be appreciated.

Sincerely,

LEROY COLLINS, *Governor.*

Mr. WAKEFIELD. The Governor points out that this proposed study ties in with the Cross-Florida Barge Canal and the Florida west coast inland waterway channel which will eventually reach up to the area served by this district. The Cross-Florida Barge Canal project in particular would aid this flood control project we are speaking of because it would provide enlarged outlets from both the Withlacoochee and Oklawaha Rivers, which are now inadequate to carry floodwaters.

May I file for the record a copy of this report, which has some maps in back of it?

Mr. CANNON. We are glad to have it and it will be included in the record with the exception of the maps. I regret we cannot include the maps in the record.

(The report follows:)

REQUEST OF THE STATE OF FLORIDA FOR A RECONNAISSANCE STUDY OF FLOOD CONTROL AND WATER CONSERVATION NEEDS OF THE WITHLACOOCHEE RIVER, THE OKLAWAHA RIVER, THE PEACE RIVER, THE HILLSBOROUGH RIVER, AND ADJACENT WATERSHEDS IN WEST CENTRAL FLORIDA BY JOHN W. WAKEFIELD, DIRECTOR, FLORIDA DEPARTMENT OF WATER RESOURCES, TALLAHASSEE, FLA.

Mr. Chairman, the Florida congressional delegation through the Honorable A. S. Herlong, Member of Congress from the Fifth Congressional District of Florida; the Honorable James E. Haley, Member of Congress from the Seventh Congressional District of Florida, and the Honorable William C. Cramer, Member of Congress from the First Congressional District of Florida, has already placed before this subcommittee a request for an appropriation of $100,000 to pay for a study by the U.S. Army Corps of Engineers of the need for, and the best means by which to accomplish, flood control, water conservation, and other water resource benefits in an area of west-central Florida.

The area in which the study is desired is shown on figure 1 of this statement. It encompasses an area of some 10,823 square miles or approximately 20 percent of the surface area of the State of Florida. The area is defined by the drainage basins of the four major streams stemming from a common, interconnected, system of headwaters known locally as the Green Swamp. The major streams are the Withlacoochee River, the Oklawaha River, the Hillsborough River, and the Peace River. Lying between these major river basins and the shore of the Gulf of Mexico are a number of small streams which have much the same flood and drought problems as their larger neighbors and which experience practically the same weather conditions.

It is proposed, therefore, that the area of study shall be all of that area of Florida lying west and south of the eastern and northern boundaries of the watersheds of the Withlacoochee and Oklawaha Rivers on the north and the tidal waters of the Gulf of Mexico and its tributaries on the west. The study area shall not include any of the lands presently in the project area of the Central and Southern Florida Flood Control District.

This study has been requested on the basis of the need for water control as demonstrated first by critical lake and stream conditions experienced in these areas during the drought years of 1954–57 and secondly by severe flood damage experienced during the wet year of 1958 and the unusually wet year of 1959. Since that request was filed, however, as recently as mid-March 1960, a large part of the proposed project area was subjected to the most severe flooding that has ever been recorded in that area.

Flood damage in 1959 was estimated to have exceeded $5 million. These floods resulted from rainfall which, for many stations in this area, exceeded any other 12-month period in the more than 60 years of record. No major tropical storms occurred during 1959. During the mid-March storm of 1960, the area from Tampa Bay to the mouth of the Suwannee River and extending across the State was subjected to a rainfall of 9 to 15 inches in a 3-day period.

Ground water reservoirs and lakes had previously been filled by moderately heavy rainfall in February and early March. The effects of the torrential rains were immediate and devastating. By March 22 the Hillsborough River had crested at a record high, overflowing its banks over a wide area. Thousands of Tampa residents were forced to leave their homes. The poorly drained flatlands lying east of the Withlacoochee River, in an area of many truck farms and cattle ranges, were flooded first by the heavy rainfall then by the overflowing Withlacoochee River.

Lake Apopka in west Orange County, a tributary of the Oklawaha River, rose 1.3 feet in 3 days. This was within 3 inches of the top of the protective dike surrounding the rich Zellwood winter vegetable area. Lakes Minnehaha, Harris, Dora, Eustis, and Griffin also in the Oklawaha River Basin, rose to higher stages than any previously recorded. The Oklawaha River overflowed its banks throughout its 80-mile length, causing millions of dollars of damage to agriculture.

Estimates of damage are only partially complete, but it is already obvious that they will exceed $60 million. The rural areas of Pasco and Sumter Counties have probably suffered the heaviest proportional damage to their economy.

Some knowledge of the geology of west central Florida is helpful to an understanding of the water problems of the area.

The western section of central Florida is underlain by several thousand feet of limestones, dolomites, marls, clays, and sands deposited in the geologic past when Florida was covered by the ocean. These rocks were originally deposited as relatively flat-lying beds, but subsequent differential movement of the earth's crust assisted by erosion has caused them to assume their present rather complex structure. The configuration of land surface throughout west central Florida is controlled by the geology.

The bulk of the material underlying the area consists of the limestones and dolomites of the Floridan aquifer. These rocks, because of their soluble nature, are extremely porous and permeable and are crisscrossed by solution pits, caverns, and holes which store and transmit large amounts of water. Solution of these rocks has given rise to the numerous lakes and sinks of the area, many of which have permeable connections with the underlying limestones and dolomites. Water enters the Floridan aquifer in the topographically high area which is centered in the Green Swamp and extends into adjacent areas. Upon entering the aquifer through sinks, lake bottoms, permeable sands, or directly where the limestones and dolomites are exposed at the surface, the water moves down gradient under hydrostatic head beneath impermeable beds, generally clays. North and east of the Green Swamp recharge area the limestones and dolomites of the Floridan aquifer are relatively close to the surface and in places are exposed in stream banks and around lakes. Toward the south, the limestones and dolomites are covered by great thicknesses of impermeable clays and clayey sands.

North of a line drawn roughly through Tampa Bay and the Green Swamp, streams flow, in part, in channels cut in the rocks of the Floridan aquifer, and their low waterflow is maintained by discharge from that aquifer in the form of springs and seeps. South of the line the stream channels are separated from the Floridan aquifer by varying thicknesses of impermeable clays and, except for isolated instances low streamflows are maintained only by shallow ground-water seepage from surface sands and marls.

A study of Green Swamp will prove especially fruitful because of the unique nature of the swamp and its relationship to the four major streams and the ground water of central Florida. The swamp lies in a shallow slightly tilted bow-shaped area lying in south Lake County, north Polk County, east Pasco County, and south Sumter County (fig. 2). The drainage of the area is affected by a series of parallel sand ridges. These ridges are remnants of beaches, formed by the alternate rise and fall of the ocean during the past geologic

formation of peninsular Florida. The aerial photographic mosaic in figure 3 shows the light-colored beaches running in a north and south direction and separated by the dark-colored swampy runs.

The area in which Green Swamp is located is not only the headwaters of the four major surface streams, but is also the highest artesian pressure area in south Florida. The contours on the lower sketch map of figure 4 show the elevations to which water will rise in a well cased through the overlying impervious strata into the highly pervious Floridan aquifer. This is defined as the piezometric surface.

A trough in the piezometric surface across Florida north of Ocala prevents the movement of ground water from north Florida into central Florida. Accordingly, the southern half of Florida is dependent wholly on local recharge to the Floridan aquifer to replace ground water lost to the sea or to the surface through wells and springs. The points of major recharge are the high points or mounds in the artesian (piezometric) pressure system. Since the Green Swamp corresponds to the highest pressure mound in south Florida, it follows that this is a major recharge area. Artesian pressure contour lines are shown in figure 2 in greater detail for the Green Swamp area.

The Floridan aquifer from which most of the towns, cities, industries, and agricultural areas of central Florida obtain their water, receives a major portion of its water through recharge in the Green Swamp area. There are some 200 square miles of wetlands in the 800-square mile Green Swamp area. It has served until now as a natural reservoir. Within the past year some of this advantage has been lost by attempts to drain the wetlands. If this reservoir can be restored under controlled conditions, both flood control and water conservation benefits may be obtained.

It appears to be possible, by means of multiple low-head dams and interconnecting channels, to store approximately 300,000 acre-feet of water in the swamp area. With suitable channels and controls this stored water can be released to one or all four of the major river basins. Similar measures in the upper watersheds of downstream tributaries and on the main streams should make it possible to prevent grossly overloading the capacity of the receiving streams. This will permit increases in present capacity without danger of overdrainage.

The small coastal streams referred to earlier are limited in capacity by flat slopes, meandering channels, and heavy growths of vegetation. During tropical storms they overflow to bring disastrous floods to the areas through which they drain. They also are subject to overdrainage if improper flood control measures are attempted.

A reconnaissance survey would permit the determination of the best approach to a solution of the problems of the entire area. It may well save large sums of money and much loss of time which might otherwise be consumed in a series of studies on individual areas. It will certainly bring encouragement and hope to a thoroughly disheartened and confused segment of an otherwise progressive and rapidly growing State. Your consideration of these factors is solicited.

Mr. WAKEFIELD. Both Congressman Haley and Congressman Cramer have mentioned the flood aspects in this basin. I would like to stress the conservation end of this same project because it is of statewide importance.

As has been mentioned, these four rivers all stem from the same area, which we call, for lack of a better name, Green Swamp. If we can store water in Green Swamp we can feed water in these four basins.

Mr. CANNON. Is this swamp a natural formation?

Mr. WAKEFIELD. Yes, sir. This is a natural reservoir that holds water not because it is low, but because it is flat and has heavy vegetation. Land is getting very scarce in Florida. This is all privately

owned land and it is being encroached on with drainage canals, which is part of the reason we have these floods.

Mr. CANNON. Has it any wildlife value?

Mr. WAKEFIELD. A great deal of wildlife value. It is about 800 square miles in area and about 200 square miles is wet. It is either lakes or swamp.

Mr. CANNON. None of that area is inundated?

Mr. WAKEFIELD. Yes. It has some farms, some ranches, and a scattering of houses in it. It has some habitation. It has some land that is very useful even back in the middle of the swamp.

There are ridges that stand 8 or 10 feet above the surrounding water that are being planted in citrus groves at the present time. We have no desire to upset that at all, but we do think that the swamplands which have provided reservoirs since time immemorial should remain as reservoirs because, as I hope to bring out here, it not only would interfere with the streamflow but it would also very seriously interfere with the ground waterflow which is of a much greater significance to the State.

Mr. RABAUT. What are you going to do with the swampland? How high is the elevation?

Mr. WAKEFIELD. From 130 to 100 feet. This one lake right down here [indicating] is 130 feet. This is a blowup of the swamp itself [indicating]. This lake right down here is 130 feet above sea level. This lake up here is 98 feet above sea level. This swamp has a slope of about 1 foot to the mile right across it.

Mr. RABAUT. Where is this in relation to the Seminole Reservation?

Mr. WAKEFIELD. Much north of it.

Mr. CRAMER. One hundred and fifty miles, at least.

Mr. RABAUT. That is north of what?

Mr. WAKEFIELD. Lakeland, northeast of Tampa and Groveland is right on the edge of it. Dade County is on the southwest corner. It is just north of Lakeland. A large part of it lies in Polk County which is the county Lakeland lies in.

If you look at the last sheet on your right up there, for which I have no big copy, you will see a piezometric map of the State of Florida. This is a contour map which shows the height to which water will rise in a case well drilled into the porous lime rock. You understand, this lime rock is about 100 feet below the surface in this area. The artesian pressure will push the water up in the well to the height shown on that map.

The important thing about that map is it shows there is a high spot in this particular area, the general swamp area, high pressure, and this [indicating] is a low trough north of it which is a clear indication that all of the water in south Florida falls on south Florida. We do not get any from north Florida at all. It cannot get through the low pressure trough. When it gets to the low pressure trough it comes to the surface at Silver Springs and Rainbow Springs. So the Green Swamp area then is a major recharge area for the entire southern half of the peninsula, and this [indicating] is the high point of the whole thing.

Mr. RABAUT. Did you not have some trouble years ago when you took some advantage of the water in the swamps and had the water from the ocean infiltrate through the soil?

Mr. WAKEFIELD. In the extreme southeast of Florida in the project that you were hearing about a moment ago; yes. That is one of the reasons for the reservoirs they are putting in there, to restore that balance. We hope that we will not have to do that here. We want to keep it here while we have it. We want to prevent it from being drained away. We expect to take action from the State level to do that.

Mr. RABAUT. Are you going to keep this water at the level it is at the present time?

Mr. WAKEFIELD. We hope so in the swamps, but with controls on it so we can discharge it when we need to discharge it and hold it back when we need to hold it back.

This [indicating] is the part that requires construction and engineering; it is the control.

Mr. RABAUT. Is the water in there because of pressure from below?

Mr. WAKEFIELD. No, sir. The water is in there at or above that pressure. In other words, it is flowing from the surface into the ground; not from the ground into the swamp. This is a recharge area. This is where the water goes from the surface into the ground. The water here is 132 feet above sea level. The water in the ground is 130 feet above sea level in the same area.

Mr. RABAUT. Is this all from rainfall?

Mr. WAKEFIELD. Yes.

Mr. RABAUT. And it stays at that level?

Mr. WAKEFIELD. Because of the flat terrain and the vegetation. Now, if we are going to control it, if we are going to be able to pull it down when we need to pull it down and turn it off when we need to turn it off, we are going to have to have artificial channels and artificial controls to replace those that nature put in there.

Mr. RABAUT. All by gravity?

Mr. WAKEFIELD. Yes.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. Back on the record.

You may proceed.

Mr. WAKEFIELD. First, let me point out on this map of which you have a copy there that there is an enlargement of this piezometric map. These blue lines show the height to which water will rise in the swamp itself and it runs up to 130 feet at the south end of the swamp.

I have an aerial photograph which shows the nature of this swamp. You have one also in your report there. All those little black spots through here are swampy areas or lakes and there are literally thousands of them. There are some 200 square miles of water surface within the Green Swamp area, then there is this big plain running up through Sumter County which has been so badly flooded in this recent flood. That is also a considerable storage area for water. So the need then is to first control the water so that we can hold it back when we need to hold it back and discharge it when we need to discharge it and then provide outlets in these streams that

are now ever increasing, and believe me, gentlemen, they are ever increasing, and in order to handle this discharge we will have to have some of these basins due to the fact that it is being so heavily developed.

This valley [indicating] up until 2 years ago had never exceeded 1,000 cubic feet a second. Today it has been discharging 1,300 cubic feet a second for something like 18 months in a row. We still cannot keep up with it. This is not all rainfall. Part of it is the fact that we have roads and buildings and farms and every sort of improvement in the area which speeds this water flow.

Mr. CANNON. There has been some discussion of these projects and we are very much interested in them, but also we are interested in the matter of priorities.

Which is the more important and which is the more urgent? Would you suggest, for example, that we take something away from this central and southern flood control project that we have just been discussing and apply it to this project?

Mr. CRAMER. No, sir.

Mr. WAKEFIELD. You put the State of Florida in an awful spot there, sir.

Mr. CRAMER. I can answer that question, if the chairman would permit.

Mr. CANNON. Certainly.

Mr. CRAMER. The money being requested now is for a survey to determine the need and justification for a possible future Federal, State, and local cooperative project. The $100,000 is being requested for that purpose. So I do not think we will at this time, or in the near future, get into the question of whether there will be competition.

Mr. CANNON. There is the matter of the relative urgency of the two.

Mr. CRAMER. That is correct.

Mr. CANNON. The question is this: Is this more urgent than the central-southern project?

Mr. CRAMER. Well, my point is that they are not in competition at this time. So far as surveys are concerned, they may never be.

Mr. CANNON. But as far as this committee is concerned, we cannot improve the whole surface of the earth simultaneously or of any one State, and we should select those projects which are not only more urgent but in which the expenditure of money will secure the greatest and most advantageous results.

Mr. CRAMER. Mr. Chairman, you cannot ignore the fact that we had an estimated $60 million flood condition in this last month.

Mr. CANNON. But, if we had to select between the two—and sometimes we have to do that, but not necessarily in this instance—which of the two, if that question should arise, should have the money immediately?

Mr. WAKEFIELD. If I had to make a selection, sir, I would have to choose this one because we have more people in the water. Of course, there has been a lot of work done on central and southern Florida which has taken them out of the water.

Mr. CANNON. The gentleman may proceed.

Mr. WAKEFIELD. This concludes my report, sir. I want to endorse this project and request that the committee give it favorable consideration.

Mr. CANNON. Thank you, Mr. Wakefield.

Mr. FENTON. Was there any loss of life in the last flood?

Mr. CRAMER. No, there was not, Mr. Fenton. There was no loss of life but there was very substantial loss of property and homes and, of course, this area he is talking about has these natural discharge rivers that he pointed to in the beginning and they overflow, which causes the great flood damage.

Mr. WAKEFIELD. There were several hundred homes with water in them up above the windows.

Mr. CRAMER. We had 8,000 people evacuated.

Mr. WAKEFIELD. My remarks would be on the basis of the work they have already done, sir, to protect that area.

Mr. CANNON. We have been told that the ultimate cost of all of the central and southern project will be approximately $244 million. That is nearly one quarter of a billion dollars.

What would be the overall cost of this project?

Mr. WAKEFIELD. We do not know, sir. We have no estimate.

Mr. CANNON. Approximately?

Mr. WAKEFIELD. About $80 million, approximately. That is what has been guessed.

Mr. CRAMER. That is all it is.

Mr. WAKEFIELD. We have not even chosen the method of doing it yet. That is what the survey is to find out. This is to be a method, perhaps, to figure out where we go from here.

Mr. RABAUT. The part of this project that is covered with water, is that land owned privately?

Mr. WAKEFIELD. It is privately owned.

Mr. RABAUT. Is it the intention of the advocates of this that the land should be purchased by the Federal Government?

Mr. WAKEFIELD. It is my intention as director of the department of water resources to recommend to the State board of conservation that they set up a conservation district in that area as soon as possible, preferably before the next session of the legislature, and when we do that, we will have to figure out some way of reimbursing the owners of that property for the fact that they will not be able to use it.

Mr. RABAUT. Well, will there be something here from the standpoint of local contributions to this project?

Mr. WAKEFIELD. Yes, sir. There is a district being organized to cover this entire area that I have outlined on this map which will serve as the local contribution.

Mr. RABAUT. Is this the first time we have had this project before the committee?

Mr. WAKEFIELD. Yes, sir; this is a brandnew project.

Mr. CANNON. Thank you, Mr. Wakefield.

This concludes our program for the day, and the committee will stand adjourned until 10 o'clock tomorrow morning.

WEDNESDAY, APRIL 13, 1960.

POTOMAC RIVER SURVEY

WITNESSES

COL. THOMAS J. WEED, VICE CHAIRMAN, RIVER AND HARBOR COMMITTEE OF THE METROPOLITAN WASHINGTON BOARD OF TRADE, WASHINGTON, D.C.
HAROLD GRAY, CHAIRMAN OF CITIZENS COUNCIL FOR A CLEAN POTOMAC, SUBSTITUTING FOR LOWELL B. MASON
MRS. HASKELL ROSENBLUM, CHAIRMAN, LEAGUE OF WOMEN VOTERS OF THE DISTRICT OF COLUMBIA
MRS. ELIZABETH T. FARWELL, PRESIDENT OF THE LEAGUE OF WOMEN VOTERS OF THE STATE OF VIRGINIA
EARL J. SHIFLET, EXECUTIVE SECRETARY, VIRGINIA ASSOCIATION OF ELECTRIC COOPERATIVES
HON. THOMAS F. JOHNSON, REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND
HENRY H. NUTTLE, SECRETARY-TREASURER, CHOPTANK ELECTRIC COOPERATIVE, INC., DENTON, MD.
ELLIS S. TISDALE, INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Mr. CANNON. The committee will be in order.

It is my understanding that General Osborne, acting chairman of the Potomac Basin Committee is not present.

We shall hear at this time from the Metropolitan Washington Board of Trade.

Who represents the board of trade this morning?

Colonel WEED. Mr. Chairman, I am Col. Thomas J. Weed. The board of trade has asked me to represent them in this matter.

Mr. CANNON. We shall be very glad if you will have a seat at the table with us, Colonel Weed, and you may proceed.

You desire to be heard on the Potomac River survey, as I understand it?

Colonel WEED. Yes, sir.

Mr. CANNON. Do you have a statement on the subject?

Colonel WEED. Yes, sir; I have a prepared statement, sir.

Mr. CANNON. You may file it with the reporter and then we will be glad to hear you and any such comments as you care to make.

Colonel WEED. Yes, sir; Mr. Chairman. I am delighted to be permitted to come here for the board of trade and testify in this matter.

I am Col. Thomas J. Weed, U.S. Army, retired, vice chairman of the river and harbor committee of the Metropolitan Washington Board of Trade, and wish to present this testimony as an expression of policies adopted and advocated by the directors of the board of trade. These policies concerning the Potomac River conform with the great interest of the board that has been expressed in various policy statements since 1889. The board of trade represents over 7,000 business, professional, and civic members in the district and the metropolitan area and has consistently urged realistic planning for the future of Washington.

One of the prime concerns of the Metropolitan Washington Board of Trade is that there shall be an ample supply of water available to the Washington area in the foreseeable future. Secondly, we are concerned with improved ways and means to clean up the river, and with pollution and silt control. Thirdly, we are well aware, because of past history, of the necessity to be well assured of adequate flood control. Finally, we are concerned with the recreation and conservation problems involved in any discussion of the Potomac River Basin. In all cases we are interested in these problems in order to serve a community which we estimate conservatively will approximate 5 million people within the next 40 years.

A great deal of information is available about the Potomac River Basin, but more is needed and should be provided at the earliest practicable date. Perhaps the most important study now in progress is the comprehensive Potomac River Basin survey being conducted by the Corps of Engineers.

The purpose of our representing the Metropolitan Washington Board of Trade at this hearing is to urge that this survey be kept alive, that the Corps of Engineers be allowed to continue their work at the maximum possible speed, and that an appropriation of at least $400,000 be provided for the continuation of the survey.

Mr. Chairman, that is the statement of the Washington Board of Trade in this matter. I do not have any comments of my own to add to that, sir.

Mr. CANNON. We are very glad you came, Colonel Weed.

Do you entirely agree with the budget recommendation on this project?

Colonel WEED. I must say that I do, sir, from my own personal knowledge of this great area.

Mr. RABAUT. Mr. Chairman, the subcommittee on which I serve as chairman has a good deal to do with it and I think it is all right.

Mr. CANNON. Thank you.

Colonel WEED. Thank you very much, sir.

Mr. CANNON. Next we shall hear from Mr. Harold Gray, representing the Citizens Council for a Clean Potomac, who is substituting for Lowell B. Mason.

STATEMENT OF MR. HAROLD GRAY

Mr. GRAY. Mr. Chairman, I am Harold Gray, substituting for Commissioner Mason. I am chairman of the Citizens Council for a Clean Potomac, and he is our legislative chairman, but had to be in New York today. I am happy to be able to substitute for him.

Mr. CANNON. You are appearing for the council?

Mr. GRAY. Yes.

Mr. CANNON. We would be glad to hear you.

Mr. GRAY. Thank you, sir. I am particularly glad to speak before you because I am a Missourian. I am from Labadie, if you remember that town. I have a prepared statement, sir.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. GRAY. The Citizens Council for a Clean Potomac appreciates the opportunity to appear before this subcommittee to speak in favor of the appropriations for the Corps of Engineers to continue its survey of the Potomac River Basin in fiscal year 1961.

First, we are in favor of an appropriation of $400,000, and we would like an additional $100,000 added to this figure to assure the speediest possible completion of the survey. Recent statements by reliable authorities indicate that if a drought comparable to the one Washington suffered in 1930 occurred now, not only would the water supply for the metropolitan area be seriously endangered, but there would be no flow remaining in the river to abate pollution. The demands on the river are increasing to such an extent that this situation could well arise within the foreseeable future without the eventuality of drought. The mushrooming growth of the Washington metropolitan area, the increasing demand to supply water for domestic and industrial use, and the growing needs of the area's citizens to pursue recreational activities—made possible by increased leisure and income—all provide urgent and compelling reasons why this study should be completed as soon as possible.

Secondly, our organization would like to request that the Congress rescind any restrictions which will prevent the Corps of Engineers from producing a truly comprehensive report. Our group has long realized that the problems of Potomac development are interdependent. Pollution, water supply, flood control, recreation, watershed management, and so forth, are not separate problems to be considered as individual entities. Rather, the consideration, or lack of consideration, of one of these elements can have a vast effect upon the overall development of the river.

Mr. CANNON. To what restrictions do you refer?

Mr. GRAY. Well, the original survey that was authorized in 1956 was for a comprehensive study of the Potomac River Basin and that was launched by the Public Works Committee on January 26, 1956, under the name of Senator Chavez. However, the Senate Appropriations Committee in fiscal 1959 wrote into the study a restriction limiting the study to that part of the river above Harpers Ferry for that period. However, that has now expired, but then on July 6, 1959, this original resolution of Senator Chavez in 1956 was modified by the Public Works Committee of the Senate and was limited to flood control, as to channels and levees and water supply and pollution abatement. Then, the Senate Appropriations Committee report on the 1959 period said something to the effect that in view of opposition to hydro projects and other things, the committee directs that funds be used to finance this study but limited to water supply and pollution abatement rather than a comprehensive study. So, those are the restrictions that our group would like to have rescinded.

Mr. CANNON. The budget estimate before us, then, deals with flood control and water pollution exclusively?

Mr. GRAY. You say is that all that it applies to now? I am not sure. These restrictions are what the Corps of Engineers are working under at this time, as I understand it.

Mr. CANNON. The estimates make no provision for power?

Mr. GRAY. In the current estimates; that is right. However, these other things, and recreation, are not included, as well as flood control.

Mr. CANNON. The gentleman may proceed.

Mr. GRAY. Thirdly, we would like to stress the fact that we are not discussing the pros and cons of what may or may not be in the final report. What we are asking for is a completed comprehensive survey which will give us the basis for future discussion.

The Citizens Council for a Clean Potomac is composed of more than 85 organizations and business firms as well as many individuals. Although the bulk of our membership comes from the metropolitan area and surroundings, we have representatives in all the basin States. The council represents diverse interests: Some of our member organizations might be described as primarily those of conservation and recreation, others are concerned with a clean and adequate water supply for the metropolitan area, still others with economic development, and we have a large representation among the civic associations in the area.

There is, however, a common ground upon which the council unites. This common ground is a clean Potomac which will promote recreation and assure the water supply and health of the area's citizens.

Mr. RABAUT (acting chairman). Thank you, Mr. Gray.

Mr. GRAY. Thank you, sir. That concludes my report.

Mr. RABAUT. Next we shall hear from the League of Women Voters, and I believe Mrs. Haskell Rosenblum is the chairman.

Mrs. ROSENBLUM. Mr. Chairman, I am Mrs. Haskell Rosenblum, chairman of thePotomac River Basin States Leagues of Women Voters, and this is Mrs. Elizabeth Farwell, who is president of the League of Women Voters of the State of Virginia, who will make a statement for us.

Mr. RABAUT. Mrs. Farwell, we should be pleased to hear you at this time.

Mrs. FARWELL. Thank you, Mr. Chairman.

STATEMENT OF MRS. ELIZABETH T. FARWELL

I am Elizabeth T. Farwell, president of the League of Women Voters of Virginia.

Along with other members of the League of Women Voters of the United States, the leagues of Pennsylvania, Maryland, Virginia, West Virginia, and the District of Columbia over the past 4 years have been studying the water resources of the United States and of their own States and localities. As one result of this thoughtful examination, the membership has come to support firmly comprehensive planning for river basins.

Growing certainty that effective, sensible development of the water resources of an area must be based upon a study giving appropriate weight to all the interrelated uses and potentialities of the water and land as well as being acceptable to the people makes the leagues in the Potomac Basin States view with regret and concern the limitation which was imposed by the Congress on the scope of the Corps of Engineers study of the Potomac River in the public works appropriation for fiscal 1960. We agree that municipal and industrial water supply and abatement of pollution are the most important issues and that

flood control is a problem, but the leagues concerned believe that the public needs—and has the right—to be informed on all aspects of Potomac Basin development.

In view of the staggering increase in population and inevitable urbanization being forecast for the Washington-Harpers Ferry-Baltimore area, leagues in the Potomac Basin are actively concerned with preservation of desirable recreation areas in the river basin. We are aware not only of the importance of open spaces to the well-being of man but also of the tremendous financial potential offered by development of leisure hour activities in the more rural and picturesque parts of the basin. League members are convinced that a plan for the Potomac Basin which does not include consideration of the social and economic benefits of recreational development will be outmoded by the time it is ready for presentation to the public.

League members have been awaiting specific and detailed information on the feasibility, advantages, and disadvantages of flood control through use of storage reservoirs, in addition to channelization and levees, and the utilization of such reservoirs for recreation and water supply during parts of the year.

It may be that the eventual decision based on the study which the Corps of Engineers is now making will be in favor of limited rather than comprehensive development. Such a decision, to be made wisely, would need to be based upon the facts and figures of an unfettered study. The corps needs to be in a position to answer the searching questions of citizens and legislators. To prohibit development of data on parts of the problem about which the public is concerned seems undemocratic, unwise, and inefficient.

The leagues in the Potomac Basin States request that the limitation imposed by the Congress be removed and that the Corps of Engineers again be permitted to have studies made on all relevant aspects of Potomac Basin development.

Mr. RABAUT. Thank you, Mrs. Farwell.

Mrs. ROSEMBLUM. Mr. Chairman, the League of Women Voters of the United States has a supporting statement that they would like to file, along with the statement that the league of the Potomac Basin has made.

Mr. RABAUT. Do you have a copy of the statement?

Mrs. ROSEMBLUM. Yes, sir; I do.

Mr. RABAUT. It will be placed in the record at this point, without objection.

(The statement referred to follows:)

STATEMENT BY THE LEAGUE OF WOMEN VOTERS OF THE UNITED STATES IN SUPPORT OF COMPREHENSIVE PLANNING ON A REGIONAL BASIS FOR WATER RESOURCE DEVELOPMENT

The League of Women Voters of the United States strongly supports comprehensive planning when water resource development in any region is being considered. The national league is glad to have the opportunity to express its support of this principle in connection with the request of the Potomac Basin leagues asking this committee that the Corps of Engineers again be permitted to study all relevant aspects of Potomac Basin water resource development and that the limitation imposed by Congress in the last session be removed.

The League of Women Voters, which currently has 126,000 members in 1,080 local leagues in all 50 States and the District of Columbia, has been engaged during the last 4 years in a study of water resources. As a part of this work,

the members have studied regional water needs and the operation of Federal programs to see how well they were coordinated with those of the States and with other governmental or private agencies.

League members have come to substantially unanimous agreement that overall planning for water resource development in the United States should be implemented through comprehensive regional development. Members also agree that development which will best advance the economic well-being of the region and country depends upon study of all aspects of water resource utilization.

Members of the league in all parts of the United States have come to agree that it is impossible to weigh the relative importance of competing demands for water use without looking at them all. There is need for complete and up-to-date information available to the public about all the needs of a region and about alternative possibilities for meeting these needs. Only with such background information is it possible to make the many decisions which involve choices between development for flood control versus recreation, urban water supply versus agricultural uses, pollution abatement versus disposal of industrial or domestic wastes.

Along with leagues across the country, the local leagues of the four Potomac Basin States and the District of Columbia have taken part in the general study and consensus on which is based the league's position on water resources (a copy of which is attached. As a part of their study the Potomac Basin leagues have considered the long-range water needs of the Potomac Basin; the requirements for pollution abatement and flood control; and the competing demands for water use between domestic consumption, industry, irrigation, and water-based recreation. Their studies have led the Potomac Basin leagues to request that the terms of the earlier authorization for the Army Engineers' comprehensive study of the water resources of the Potomac River Basin be reinstated without the recently instituted limitations on the scope of the study.

The national board files this statement for the League of Women Voters of the United States to emphasize with countrywide findings the importance of making any major study of a river basin truly comprehensive in scope.

Mr. RABAUT. Thank you, Mrs. Rosenblum and Mrs. Farwell.

Mrs. FARWELL. Thank you, Mr. Chairman and members of the committee.

STATEMENT OF MR. EARL J. SHIFLET

Mr. RABAUT. Next we shall hear from the representative of the Association of Electric Cooperatives, Mr. Earl J. Shiflet, executive Secretary.

Mr. SHIFLET. Yes, sir, Mr. Chairman.

Mr. RABAUT. That is the Virginia association, is it not?

Mr. SHIFLET. Yes, sir.

Mr. RABAUT. We would be pleased to hear you at this time.

Mr. SHIFLET. Thank you, sir.

Mr. Chairman and honorable members of the committee, my name is Earl J. Shiflet. I am executive secretary of the Virginia Association of Electric Cooperatives with headquarters in Richmond, Va. The Virginia Association of Electric Cooperatives represents 14 electric cooperatives in Virginia, 2 in Maryland, and 1 in Delaware with a total of over 140,000 consumer-members representing approximately 625,000 individuals, in whose interest I appear before you today.

Our association has gone on record many times favoring the multipurpose development of the Potomac River.

A copy of our last resolution will be submitted to the chairman.

The population growth of the Potomac River Basin is expected to continue at the present staggering rate. It is believed that the population of this area will increase from approximately 3 million at present to approximately 7,300,000 50 years from now. Most of this growth will take place in Maryland and Virginia.

Of great concern to everyone affected is the urgent need for meeting adequately the water requirements of the area for household, agricultural—irrigation—and industrial needs, and pollution abatement. Of these needs you gentlemen are keenly aware.

From studies that have been made it appears that a system of reservoirs will be necessary to meet the needs of the basin for a clean water supply. However, a matter of great concern to us is the observation that has been made by some authorities that hydroelectric power would be uneconomic from small dams.

We strongly urge this committee to recommended adequate funds to provide for the continuation of the comprehensive study of the Potomac River to determine the feasibility of economic hydroelectric power generation.

The 1944 study of the Corps of Engineers, which was reported to Congress in 1946, indicated an annual production potential of approximately 2.3 billion kilowatt-hours of electric energy in the Potomac River. We have reason to believe that the river holds the same potential today.

In Virginia we have a dramatic story to tell concerning the effect of the John H. Kerr Dam, a Federal Government project on the Roanoke River, on the cost of electricity to the rural electric cooperatives. I submit with this statement, as exhibit A, a chart showing the reduction in the wholesale cost of power to the electric cooperatives from the Virginia Electric & Power Co. as result of an effort by the cooperatives to build a steamplant which would have been tied into and integrated with the Buggs Island project. The result was a reduction in rate from 10 mills per kilowatt-hour to 7.5 mills per kilowatt-hour. In addition a favorable wheeling arrangement was agreed to.

It is reliably estimated that the kilowatt-hours purchased by rural electric cooperatives in Virginia within a 150-mile radius of the River Bend project on the Potomac River will increase from the present use of approximately 330 million kilowatt-hours to 600 million kilowatt-hours by 1970. Add to this the increased needs of Maryland, Pennsylvania, and West Virginia within this radius and we believe you have ample justification to consider the possible electric power potential of the Potomac River as well as the need for an adequate water supply, pollution abatement, flood control, and recreational benefits.

Electricity is no longer a luxury. It is a necessity to maintain our present standard of living. Electricity at a low rate is an important economic factor. The economic production of electric energy from the Potomac River would mean much to the total economy of the Potomac River Basin, just as the John H. Kerr Dam project has made it possible for the rural establishments of Virginia to save approximately $195,000 annually.

In addition to the important factor of present power costs, we are very much concerned with the need to stabilize the cost of power for the future. The effect of a competitive source of supply is readily apparent in the history of our power purchases. If we continue to keep open a competitive source of supply, we will safeguard the power cost in the future for our rural users.

Our efforts to see that full consideration is given to hydroelectric power development on the Potomac River is based on very practical considerations. We believe that we are representing the very best interests of the rural establishments which we serve, and the best interests of the general public, not only in the State of Virginia but in the bordering States which will benefit in like manner from the full development of the Potomac River.

In conclusion, I wish to again urge the committee to recommend adequate funds to provide for the continuation of the comprehensive study of the Potomac River to determine the feasibility of economic hydroelectric power generation.

Mr. Chairman, I wish to thank you for the privilege of appearing here today and expressing the viewpoint of the Virginia Association of Electric Cooperatives.

Mr. RABAUT. Mr. Shiflet, let me see the exhibit to which you referred in your statement.

Mr. SHIFLET. Yes, sir.

Mr. RABAUT. Without objection, the exhibit will be placed in the record at this point.

(The exhibit referred to follows:)

EXHIBIT A

Tabulation of energy purchases by Virginia rural electric cooperatives

Year	Kilowatt-hours	Cost	Mills per kilowatt-hour
1941	14,387,978	156,734	10.89
1942	19,933,419	203,671	10.22
1943	23,450,612	342,357	14.60
1944	26,386,562	404,975	15.35
1945	28,655,113	453,872	15.84
1946	37,085,649	582,393	15.70
1947	50,761,909	784,701	15.46
1948	69,085,480	1,033,669	14.96
1949	88,089,671	1,244,948	14.13
1950	109,262,868	1,449,147	13.26
1951	138,009,550	1,575,697	11.42
1952	173,764,720	1,643,804	9.46
1953	208,430,061	1,726,539	8.28
1954	247,948,794	1,769,207	7.14
1955	280,041,631	1,970,270	7.04
1956	323,085,596	2,284,951	7.07
1957	359,760,905	2,608,866	7.25
1958	398,001,574	2,899,544	7.29

Source: U.S. Department of Agriculture, Rural Electrification Administration, annual statistical report.

Mr. SHIFLET. Thank you very much, Mr. Chairman.

Mr. RABAUT. Thank you, Mr. Shiflet. Next we shall hear from Mr. Henry H. Nuttle, secretary-treasurer of the Choptank Electric Co-op, Inc., of Denton, Md.

I would like to say to the members of the subcommittee that Congressman Thomas F. Johnson of the First District of Maryland has forwarded to the chairman of the committee a letter of introduction on behalf of Mr. Nuttle. We are delighted to insert Congressman Johnson's letter into the record at this point.

(The letter referred to follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 11, 1960.

HON. CLARENCE CANNON,
Chairman, Subcommittee on Public Works,
House Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: I understand a constituent of mine, the Honorable Harry Nuttle, will appear before your subcommittee Wednesday morning with respect to a study of Potomac River development.

I fully endorse what Mr. Nuttle has to say in regards to a comprehensive study of the Potomac and will appreciate the commitee's serious consideration of his recommendations.

With kind regards, I am,
Sincerely yours,

THOMAS F. JOHNSON,
Member of Congress.

Mr. RABAUT. You may proceed, Mr. Nuttle.

STATEMENT OF MR. HENRY H. NUTTLE

Mr. NUTTLE. Thank you, Mr. Chairman and members of the committee. I appreciate your giving me some time, even though it is only 5 minutes. I do appreciate it, however. I know what pressures you people are under.

Mr. RABAUT. This [indicating] is a list of the witnesses for just this one day.

Mr. NUTTLE. Oh my. I do not envy your job of listening to all these people.

Mr. RABAUT. Off the record.

(Discussion off the record.)

Mr. NUTTLE. Gentlemen, I am Henry H. Nuttle from Denton, Md. I appear here today as the Maryland member of the board of directors of the National Rural Electric Cooperative Association. In addition, I am secretary-treasurer of the Choptank Electric Cooperative, a farmer, banker, and serve on the board of regents of the University of Maryland.

Because of our interest in the important hydroelectric potential of the Potomac River, I come here today to plead for sufficient funds to provide for early completion of a full comprehensive study of the Potomac River. We are informed by experts that there is a great amount of feasible hydroelectric power to be secured from full multiple-purpose development of the Potomac River. I will not take the time to read it, but would like to have in the record of these hearings the attached copy of a pertinent resolution, passed at the recent annual meeting of the National Rural Electric Cooperative Association.

Mr. RABAUT. Without objection, it is so ordered.

(The resolution referred to follows:)

RESOLUTION E-16—NRECA ANNUAL MEETING 1960

From: Power and generation committee.
Approved by: Resolutions committee.
Subject: Potomac River development.

Whereas the Corps of Engineers was authorized by the Congress in 1956 to conduct a review of its 1946 study of the Potomac River, estimated to cost about $1,658,000; and

Whereas the 85th and 86th Congress have both substantially cut the annual requests of the Corps of Engineers for a portion of the above study funds, and placed restrictive language on the use of all future appropriations for Potomac River studies, eliminating consideration of hydroelectric power and other important benefits; and

Whereas further delay in planning and authorization for comprehensive development of the Potomac River will jeopardize feasibility because of rising land costs and real estate developments; and

Whereas low-cost hydroelectric power sold to both rural and urban users would be an important "paying partner" of comprehensive multiple purpose Potomac River development, thereby relieving taxpayers and water users for a substantial part of the total cost of development: Now, therefore be it

Resolved, That official representatives of electric cooperatives in 46 States, representing nearly 5 million rural member-consumers, request that the Appropriation Committees of the U.S. House of Representatives and the U.S. Senate, approve sufficient funds in the 1961 budget so completion of the Corps of Engineers comprehensive study can be completed at the earliest possible date; and be it further

Resolved, That copies of this resolution be sent to the chairmen and the members of both Appropriation Committees of the U.S. Congress referred to above.

Mr. NUTTLE. We have two large electric cooperatives in Maryland, serving electricity to about 36,000 owners-consumers. Last year the two cooperatives purchased 224,811,280 kilowatt-hours of electricity for distribution to their members. We buy all our power wholesale from commercial power companies, paying a very high rate and thereby restricting the use of this invaluable service to our members and their families. The Choptank Electric Cooperative on the Eastern Shore, pays well over 12 mills for its wholesale power, representing 40 percent of its total annual expenses, while the Southern Maryland Cooperative pays about 10 mills, and is now fighting a request for an increase in its wholesale power rate. The electric cooperatives in the neighboring State of Virginia pay less than 8 mills for all of their purchased power, largely as a result of hydroelectric development on the Roanoke River.

Mr. Shiflet has just presented that phase of it. If we could save even 1 mill on our wholesale rate, it would mean an immediate saving of $225,000 a year to the rural families of Maryland that we serve. The saving would be much greater in the future as the use of power is expected to double in the next 10 years. This benefit to our rural people would result from harnessing the natural resources of the Potomac River on a self-liquidating basis.

One of the few possibilities of relief from our exorbitant wholesale rate is low-cost hydroelectric power from the Potomac River, just as the Roanoke River brought relief to our neighbors in Virginia. Our two Maryland cooperatives are separated by the Chesapeake Bay and we have not been able to get our rate down by generating our own power.

We do not ask that the Potomac River be fully developed for hydroelectric power alone. Recent public statements by the Corps of Engineers, and sanitary engineers, indicate that the Potomac River

must be impounded for water supply, pollution abatement and flood control. We simply reason that if dams are to be built on the Potomac River for other purposes, then it makes sense to install hydroelectric facilities. Rural and urban residents in the area would benefit in many ways. That is, they would receive the direct benefit of low-cost power, the indirect benefit of a competitive rate on other sources of power, and the direct benefit of the revenue from power sales, helping to finance a substantial part of the entire project, and relieving taxpayers and water users to that extent.

And here let me add, without apology, that we believe fundamentally in the principles of comprehensive multiple-purpose development of the country's river basins. We believe this is going to be necessary to meet the needs of this country as it moves into the combination of expanding population and rising living standards which will characterize the next 50 years. We believe that water supply, electric power, and recreation, in well-planned combination, will prove key contributions of such river-basin programs to the Nation's progress. We cannot afford to wait for hindsight 50 years hence to show us what we ought to have planned, if we undertake a program of underdevelopment today.

We are therefore disturbed at recent reports of the Corps of Engineers, indicating a recommendation for something less than full development of the Potomac River. Our people have authorized me to appeal to your subcommittee to at least authorize a study that will produce all the facts on various alternatives, including full multiple-purpose development. If such a study shows that it is practical to fully develop all the uses of this great natural resource, then let's get on with the job.

The opportunity to appear here is very much appreciated. I was requested to make a brief statement and will be happy to answer any questions if it was not clear. With the chairman's permission, I would also like to insert in the record the attached copy of a recent editorial in the Baltimore Sun and a copy of a letter I wrote the editor.

By the way, that letter appeared in the Baltimore Sun this morning. It is rather timely, I think.

Mr. RABAUT. Without objection, we will put the letter and the article from the Baltimore Sun in the record at this point.

(The matters referred to follow:)

[Editorial—Sunday Sun, Apr. 3, 1960]

NO HOPE

Outsiders may often wonder why positive steps have not been taken to clean up and rehabilitate the Potomac River. It has long since been known generally that without such steps the heavy pollution at the Nation's Capital cannot be curtailed and there can be no assurance that the rapidly growing Washington metropolitan area will have the potable water it needs in the future. Well, an explanation for the lack of rehabilitation and development can be found in the current newsletter being circulated by our own Senator J. Glenn Beall.

Several days ago the Senator, together with other congressional spokesmen from Maryland, Virginia, and West Virginia, had a meeting with representatives of the Army's Corps of Engineers. It is these engineers who for years have been working on plans for a comprehensive development of the Potomac, with particular reference to water conservation, flood control, pollution abatement and recreation.

What were the engineers told by the Congressmen? In Senator Beall's words it was this:

"We let them know that we knew how badly the Nation's Capital would be needing water. At the same time we let them know that we did not propose to permit any high dams at Riverbend on the Potomac or on the Shenandoah."

In other words, the engineers were put in a straitjacket. They can go on planning but they must not propose a high dam—a high dam which one expert after another has said will be necessary if the Potomac is to be reclaimed. That has been the constant hitch: everybody wants to have the Potomac rehabilitated, but nobody agrees on any given rehabilitation device.

[Copy of letter written to editor]

DENTON, MD., *April 8, 1960.*

EDITOR, THE SUN PAPERS,
Baltimore, Md.

DEAR SIR: You are to be commended for the consistent manner in which you continue to call attention to the need for comprehensive development of the Potomac River.

Your editorial "No Hope" in the Sunday Sun, April 3, 1960, was forthright in exposing the efforts of some local legislators to block the proper development of one of Maryland's most precious natural resources. The only hope that the people of Maryland will ever enjoy the full benefits of this great river lies in the people becoming aware of the efforts of selfish minority groups to bring about single purpose development of the Potomac River, and thereby forever preclude the great multiple purpose benefits.

The Potomac River flows 600 times greater at floodtime than it does at low water. Last fall it was at the lowest level in 25 years, while right now a little more rain in the basin would cause destructive floods. According to Dr. Abel Wolman, 60 million cubic feet of silt flows down the river each year, creating a delta in the Washington area now 15 feet deep in the bottom of the river and in 50 years threatening any recreational use of the river in the shadow of our Nation's Capital. In addition, the river is so polluted that most water recreation in the Washington area is out of the question right now. What a disgraceful situation. One of our great natural resources going to waste while our Nation's Capital suffers for future water supply, prays a destructive flood won't come, and suffers for lack of fresh water recreation. Only last week the comparatively new Fort Belvoir Reservoir was closed to swimming because of pollution, and an important branch of our Armed Forces must buy water from another source.

What good will it do to establish a C. & O. National Park around a polluted, silt-filled river that will be dry and stagnant at one time of the year and destroy park-constructed recreation facilities with floods another period of the year. This won't relieve our need for water, flood protection or recreation, or will it attract badly needed industry and tourists to western Maryland.

How much better off we all would be if the Corps of Engineers are allowed to harness this great flow with impoundments and reservoirs, providing unlimited supplies of clean water for our Nation's Capital and Maryland communities, and for irrigation to Maryland farmers and orchardists; flood protection to everyone, and unlimited fresh water recreation for the exploding population that is coming to the Washington-Baltimore area in the next 10 years—double, perhaps triple our present population.

Around all this multiple-purpose development could be created a National C. & O. Historical Park that would serve the needs of all types of recreation, including a permanent restoration of a large part of the C. & O. Canal. Industry and tourists would be attracted to western Maryland, thereby providing a much needed boost to its economy. Everyone would benefit.

Multiple-purpose development of the Potomac River will never come unless the people want it and let their legislators know they want it. Funds for the Corps of Engineers' current study is now being considered by the Appropriation Committees of the Congress. I will appear Wednesday before the House Appropriation Committee to urge adequate funds to complete a full comprehensive at the earliest possible date, without restrictions. I appeal to all citizens to become interested in the full multiple-purpose development of the Potomac River.

Very truly yours,

HARRY H. NUTTLE.

Mr. RABAUT. You are paying a rather high rate, are you not?

Mr. NUTTLE. Yes, sir. The three cooperatives on the Eastern Shore, the Delaware, the Choptank and the Eastern Shore of Virginia, have about 38,000 customers and we have been informed that there is no group that large that is paying as high a rate for current as we are over there on the shore. Of course, we are between the bay and the ocean.

Mr. RABAUT. How would you get this power across the Chesapeake Bay?

Mr. NUTTLE. Mr. Chairman, when the Chesapeake Bay Bridge was built it was a part of the law that there should be facilities for the transfer of electric current across that Chesapeake Bay Bridge. So, we have hopes there.

Mr. RABAUT. Is that a part of the law dealing with the construction of the bridge?

Mr. NUTTLE. Yes, sir. They have hooks or something there to carry the wires right across the bridge, as I understand it.

Mr. RABAUT. That is all right.

Mr. NUTTLE. If we could not get that, we have hopes that we might run a cable from the Southern Maryland Co-Op across the Chesapeake down below.

Mr. RABAUT. Of course, the bridge would be the answer to that.

Mr. NUTTLE. Yes, sir. There are, also, other things. If we can get the power companies to talk sense, perhaps, they will wheel it for us, but we are a long way from that right now.

Mr. RABAUT. Off the record.

(Discussion off the record.)

Mr. RABAUT. Thank you very much.

Mr. NUTTLE. Thank you, Mr. Chairman and members of the committee. I appreciate your many courtesies.

STATEMENT OF MR. ELLIS S. TISDALE

Mr. RABAUT. Next we shall hear from the Interstate Commission on the Potomac River Basin. I understand that Mr. Ellis Tisdale will make the presentation.

Mr. Tisdale, would you please come up and be seated? We shall be pleased to hear from you at this time.

Mr. TISDALE. Mr. Chairman, I am Ellis S. Tisdale, director of the Interstate Commission on the Potomac River Basin. I have a very brief statement to present which will take about 2 minutes.

Mr. RABAUT. You may proceed.

Mr. TISDALE. The Commission favors appropriation of the full $400,000 authorized in the budget to continue the Potomac Basin study of the Corps of Engineers during the fiscal year 1961. We further favor the appropriation of an additional $100,000 in order to bring the Potomac study to a speedier conclusion. The Corps of Engineers is capable of using a total of $500,000 to pursue its Potomac Basin study during the coming fiscal year, and the urgent need for a completed water resources plan for the Potomac River justifies this expenditure.

The Interstate Commission, which is about 20 years old, is composed of representatives of the four States of the Potomac River Basin, the

District of Columbia, and the Federal Government. At a meeting held on February 5, 1960, the Commissioners adopted the following resolution:

Be it resolved, That the Commission make suitable representation to the Congress to restore the (Potomac Basin) study of the Corps of Engineers to the scope contemplated in the original resolution of January 6, 1956.

A study restricted in scope only to water supply, pollution abatement, and flood control by channelization would be too narrow a study to fit the needs of the Potomac River Basin. If the final report of the Corps of Engineers should be limited to consideration of those three aspects of Potomac Basin needs alone, the report would be attacked on many sides—and perhaps with justification—for its inadequacies and lack of comprehensiveness. The result could well be that the report would be shelved, and several years of time and large sums of money would have been spent without bringing us any nearer to the much-needed program of action on the Potomac. We cannot afford any more long delays. The day when the natural flow of the Potomac will be inadequate to meet the water supply needs of the Washington area, including the Maryland and Virginia suburbs, is at most 15 years away.

The Corps of Engineers' Potomac Basin study should be broadened to include all aspects of water use: The needs of agriculture and industry in the upstream areas, recreational use, fish and wildlife conservation, silt control, and requirements for flood control. This sort of a comprehensive study can be expected to provide the residents of the Potomac watershed and the agencies responsible for the Potomac River with the information they will need to adopt and carry out a sound and comprehensive plan for the Potomac's future.

This information should be made available as soon as is humanly possible. Without it, we are in a precarious position—a position where a crisis, either a drought, such as we had in the thirties, or a flood, could precipitate immediate corrective action on the Potomac before we have had the opportunity to study the facts and adopt the wisest and best plan to meet the overall needs of the Potomac River Basin.

Mr. RABAUT. Thank you, Mr. Tisdale.

Mr. TISDALE. Thank you, Mr. Rabaut and members of the committee.

WEDNESDAY, APRIL 13, 1960.

KAHULUI HARBOR TURNING BASIN

WITNESS

HON. DANIEL K. INOUYE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF HAWAII

Mr. RABAUT. We shall now hear from Congressman Inouye, of the State of Hawaii.

Congressman Inouye, we are very happy to greet you as the Congressman from Hawaii before this committee.

Mr. INOUYE. Thank you very much, Mr. Chairman.

Mr. RABAUT. You represent one of the new States of the Union, and we are delighted to have you.

We miss on this occasion our old friend, Mr. Burnett, who always appeared before us, along with several others.

Mr. INOUYE. Yes, Mr. Chairman.

Mr. RABAUT. Do you have a prepared statement?

Mr. INOUYE. Yes, Mr. Chairman. I have been advised that the distinguished gentleman from Ohio, Congressman Michael Kirwan, will submit the statement of Mr. Burnett.

Mr. RABAUT. Yes; that is right. It will be put in the record at this point.

(The statement referred to follows:)

STATEMENT OF C. H. BURNETT, JR., GENERAL MANAGER, KAHULUI RAILROAD CO., MAUI, HAWAII, IN SUPPORT OF FUNDS IN THE AMOUNT OF $945,000 FOR THE ENLARGEMENT OF THE TURNING BASIN IN KAHULUI HARBOR, MAUI, HAWAII

My name is Charles H. Burnett, Jr., general manager, Kahului Railroad Co., Maui, Hawaii. I present this statement in support of the appropriation of $945,000 for the project covering the enlargement of the turning basin in Kahului Harbor, Maui, Hawaii. On several previous occasions I have had the privilege of appearing before this subcommittee in support of this urgently needed appropriation for this project, so essential to Maui and so important to Hawaii. This project is also important to the country, as we have demonstrated previously, especially in time of national emergency.

In the past I have submitted to this subcommittee detailed facts and figures demonstrating both the urgent necessity and the fundamental soundness of this project. Hence, I shall not here repeat such data, except particularly to emphasize the emergency character of the project. Several members of this subcommittee have personally visited Maui, are, of their own knowledge, familiar with the project, and are, I am sure, aware of the grave need for getting work underway to enlarge the turning basin just as soon as possible.

In very special ways the soundness of this project and the necessity for these funds for it have been recognized. The studies of the U.S. Corps of Engineers indicate a benefit-cost ratio of 2.9 to 1. In a letter dated February 2, 1959, with respect to this project the U.S. Chief of Naval Operations stated:

"The Chief of Naval Operations recommends that the proposed dredging of Kahului Harbor be accomplished at the earliest possible date in order to alleviate the existing navigational hazards and provide a greatly improved port facility."

Authorization of this project for enlargement of the turning basin at Kahului Harbor is specifically included in H.R. 7634, the omnibus bill passed by the House in the last session of Congress. Specific authorization of this project is also contained in S. 1632, passed in the Senate at the last session. Emergency funds in the amount of $140,000 to start the project are included in the public works appropriation bill, 1960 (H.R. 7509). These emergency funds were included in the Public Works Appropriation Act, 1960—but their use was not available. This was due to the rather unique circumstance that H.R. 7634 had not passed the Senate and S. 1632 had not passed the House. We in Hawaii have every hope, confidence, and expectation that the project will be completely authorized by the Congress at this session.

At this juncture we respectfully ask that $945,000 be appropriated in order that the essential funds will be available to enable this vital project to go forward to completion. Since my last presentation to your subcommittee in May of last year we have had several dramatic indications of the pressing need to complete the enlargement of the turning basin at Kahului Harbor just as soon as is humanly possible.

On June 26, 1959, the SS *Josephina* narrowly escaped heavy damage. Serious and costly delays and grave risks were sustained by the following vessels: July 1 and 2, 1959, the SS *Hawaiian Merchant;* August 1 and 2, 1959, the SS *Mary Luckenbach;* October 3, 1959, the SS *Ames Victory;* February 11, 1960, the SS *Green Mountain State;* February 12 and 13, 1960, the SS *Hawaiian Craftsman.* All these incidents, which I shall amplify in a supplementary statement if the

subcommittee should so desire, are in very substantial measure directly and primarily attributable to the presently inadequate turning basin in Kahului Harbor.

A concrete illustration of the problem is indicated in the following very brief report with respect to the SS *Pacificus:*

"July 2, 1959 the SS *Pacificus* was entering Kahului Harbor at 5 p.m. A heavy swell on the stern and an unusually strong gust of wind from the northwest prevented the *Pacificus* from turning properly to berth at pier 2. Instead the ship went toward the west side of the harbor. Tugs pushed about 1 hour to keep the ship from touching bottom as a result of getting so badly out of position and intermittent gusts of winds. The *Pacificus* struck the end of pier 2 while docking about 6 p.m. (1 hour later). Damage on the starboard side abreast of after masthouse at approximately 20-foot draft mark, causing indents in shell peating and one frame set in. Estimated $5,000 damage to hull.

Cargo handling on the *Pacificus* was finished and ship was ready to depart by 1 p.m. July 5, however, due to strong winds prevailing it was considered too hazardous to sail ship for fear of going aground on the west side of harbor. Winds calmed by the following morning. The *Pacificus* got away 6 a.m., July 6, 17 hours later or approximately $2,125 cost to owner for delay to ship plus stevedore standby time at next port."

All these are but examples of the emergency need for funds to permit prompt enlargement of the Kahului Harbor turning basin.

May I make one final point? Matson Navigation Co. is putting into service before the end of this year two elongated C–4-type cargo vessels, scheduled, among other assignments, to lift sugar at Kahului Harbor. They will be 632 feet long, with 72-foot beam, and are illustrative of the ever larger type vessel in the Pacific ocean steamship trade. Without enlargement of the present turning basin at Kahului Harbor these and other large vessels, when they come to Kahului Harbor, will inevitably experience the gravest risks, some examples of which I have mentioned above. Without enlargement of the Kahuliu Harbor turning basin it will be only a matter of time before these ocean steamships will feel obliged, as a matter of navigational safety, to bypass Kahului Harbor. This will result in the needless loss of a very substantial asset to Maui, to the State of Hawaii and to the Nation as a whole.

CONCLUSION

Appropriation of the required $945,000 will permit the required enlargement of the project for enlargement of the turning basin at Kahului Harbor, Maui, Hawaii to go forward at once. These funds will make it possible for the port of Kahului to continue to perform its vital services in peacetime commerce, as well as be ready and available if needed during any future national emergency. With all the earnestness I can muster, I respectfully urge the appropriation in this session of Congress of the $945,000 to complete as soon as possible this emergency project.

Your consideration and favorable action will be deeply appreciated.

Mr. RABAUT. Congressman Inouye, you may proceed.

Mr. INOUYE. Mr. Chairman, I have a statement here in support of the several projects relating to Hawaii now pending before your committee, but in the interest of time and not wanting to be repetitious, may I just place this in the record, sir?

Mr. RABAUT. Without objection, we will place your statement in the record at this point.

(The statement referred to follows:)

Mr. Chairman and members of the subcommittee, I have had the opportunity of reading the statement of Mr. C. H. Burnett, Jr., which has been made a part of the record of the proceedings of the subcommittee. The fine presentation of Mr. Burnett in support of the project covering the enlargement of the turning basin in Kahului Harbor, Maui, Hawaii, is indeed commendable, and any attempt on my part to present arguments in favor of the project would only be a repetition of the reasons advanced by Mr. Burnett. I humbly urge your favorable consideration of the Kahului Harbor project.

There are several other items appearing on the public works appropriation budget which are of vital importance to the State of Hawaii. I am aware that justification for these projects have been presented to the committee, so I will

not burden you further with a repetition of information you already possess, save and except to state that Hawaii is genuinely desirious of initiating or completing the projects referred to, namely:

1. Honolulu Harbor (2d entrance)	$1,216,000
2. Kawainui flood control	500,000

I would like at this time to also call the attention of the committee to the need of funds in realistic amounts to enable the initiation and/or completion of studies in connection with the following projects:

(1) Coast of the Hawaiian Islands.
(2) Honolulu Harbor deepening.
(3) Hilo Harbor.
(4) Port Allen Harbor.
(5) Waikiki Beach erosion.
(6) Haleiwa Beach erosion.

Any assistance you may be able to render toward the full and final realization of these projects and proposed studies will be of great help in the development of the State of Hawaii.

The people of Hawaii and I thank you for the time and opportunity given us to appear before the committee. We shall be eternally grateful for your kind and favorable consideration.

Mr. INOUYE. Thank you very much, gentlemen.

Mr. RABAUT. Thank you for coming before the committee.

WEDNESDAY, APRIL 13, 1960.

USE OF PRIVATE ENGINEERING FIRMS

WITNESSES

RALPH M. WESTCOTT, CONSULTING ENGINEER, LOS ANGELES, CALIF.

L. K. CRAWFORD, CHAIRMAN, HIGHWAY COMMITTEE OF CONSULTING ENGINEERS COUNCIL

Mr. RABAUT. Gentlemen, we shall now hear from Mr. Ralph M. Westcott of the Consulting Engineers Council.

Mr. Westcott, I understand you have three witnesses?

Mr. WESTCOTT. No. I have one associate with me who will not speak, but I would like to introduce him to you, sir. He is Mr. L. K. Crawford from Springfield, Ill., who is a member of our association.

Mr. RABAUT. Your association is the Consulting Engineers Council?

Mr. WESTCOTT. That is correct.

Mr. RABAUT. All right; you may proceed.

Mr. WESTCOTT. Thank you, sir.

With your permission, I would like to submit a prepared statement for the record and speak extemporaneously.

Mr. RABAUT. Without objection, we will put the statement in the record at this point.

Mr. WESTCOTT. Along with a few supporting documents pertinent to the issue.

Mr. RABAUT. None of the documents contain maps, do they?

Mr. WESTCOTT. No.

(The matters referred to follow:)

Mr. Chairman and members of the subcommittee, I wish to thank you for the opportunity of appearing here today.

My name is Ralph M. Westcott, a consulting engineer, from 800 West Colorado Boulevard, Los Angeles, Calif. I am here today in my official capacity as national president of the Consulting Engineers Council. We are a national organization made up of statewide associations of consulting engineers. We represent 28 State associations and some 1,500 firms. Some of our members are small, operating on an individual basis; some are comparatively large, employing up to 500 engineers and technicians.

We represent a reservoir of talent available to government and industry on call to provide highly skilled engineering talents as the needs of our clients demand these services. We assume the responsibilities of obtaining engineering assignments to keep our staffs occupied and we also retain the prerogative of adjusting the size of our organizations to meet the demands for our services. We have no subsidies, nor do we seek any, to guarantee our continued existence as business enterprises.

Mr. Chairman, we asked to appear before your committee for two reasons, the most important being a paragraph on page 3 of last year's report—No. 424—accompanying the public works appropriations bill for fiscal 1960. That report contained words questioning the use of consulting engineers.

My main concern about this report is twofold. First, I am very much afraid that if the philosophy of using private engineering firms is eliminated by the various departments having problems to do with engineering and design of engineering projects, it will lead to a complete destruction of a segment of the free enterprise system. My second concern—and this should be of great concern to you gentlemen—is that it may well lead to greatly increased costs to the American taxpayer.

As I noted, our profession represents a great reservoir of engineering strength upon which the Nation has twice called within the last two decades to do important work during times of emergency. As a matter of fact, the growth of the profession itself can be attributed to the fact that we were called upon during World War II and again during the Korean conflict to provide design and engineering know-how which was not adequately available within the government itself.

I do not know, nor can any of us foresee, what kind of emergencies may arise in the future. But I do know that if our manpower pool, our flexibility of organization and ideas is destroyed the Nation will be the ultimate loser.

There has been a growing tendency in recent years for every agency, municipal, State, and Federal to increase its engineering staffs. Many of these increases have not been necessary except to handle specific problems or temporary peak demands. As this committee knows, however, once such increases are made it is extremely difficult to get the new engineers off the civil service payroll. They are kept on, sometimes doing little or nothing, until the next problem or peak demand arises.

On the other hand, a private consulting firm hires its manpower as it is needed. In Los Angeles, for instance, we have an engineering manpower pool and many of our assistants travel from one firm to another as the need arises. The Government does not have this flexibility of organization.

Secondly, we have a flexibility of ideas that will be lost if all engineering is turned over to the various agencies involved. In a reply to criticism by the General Accounting Office, Mr. Tallamy of the Bureau of Public Roads pointed out that one of the best effects of hiring outside consultants was the new life they breathed into the various highway departments through contact with new ideas, innovations, and new techniques.

My other principal concern is the cost factor. I have, frankly, never been able to get what I consider to be a real and honest estimation of engineering costs concerning the Corps of Engineers, the Bureau of Reclamation or other Government agencies. The reason is simply that they do not make public these records. Further, we doubt that they would account for their nonproductive time between projects or the overhead paid out of unallocated funds.

However, we have been able to make a survey of the situation as it is reflected in various highway departments over the country.

I would like to cite for you one comparison which bears out my contentions.

California is often referred to as having the ideal highway department. Substantially all highway engineering in the State of California is done by the highway department staff of engineers. In the fiscal year, July 1, 1957, to June 30, 1958, they report construction of $213,830,115. Preliminary engineering costs of $29,168,262 or 13.68 percent against the volume of construction. Also reported is construction engineering costs of $21,894,487, or 10.27 percent of the volume of construction. It is also to be noted that these do not include any administrative charges for the operation, or elaborate facilities for the housing of the highway department and the engineering staffs, nor do these figures include highway planning and planning survey, amounting respectively to $1,178,000 and $1,161,099. The General Accounting Office review of the Federal-aid highway program in Pennsylvania, reported last summer, stated that the average fees paid to consulting engineers for services rendered were somewhat less than 4 percent of cost of construction. Now, gentlemen, we ask you is there a proper relationship between the 4-percent fees paid to consultants and the reported 13.68 percent without overhead or profit for comparable services assessed to the highway construction program in California, when done by State engineers? We will readily grant that a portion of the approximately 13.68 percent for engineering costs in California would still be required for coordination, general supervision, and advance planning to supervise the work of consultants if they were hired in California. We cannot believe that the State services should be more than three times the cost of design as provided by consulting negineers. The Federal Government is participating in underwriting these high engineering fees to the State regardless of the fact that they do not include any overhead or profit.

We believe that every taxpayer is entitled to the highest possible return on his tax dollar. We are taxpayers at every level of government, local, State and Federal. It is our firm belief that if the cost of design and other engineering costs can be reduced, then we are performing a service to the taxpayer. We submit that we can reduce the cost no matter what yardstick is applied.

The design factor is, of course, only a part of the overall engineering costs; and engineering costs themselves are but a part of the overall cost of any given project, big or small. The danger we see in the continuing trend toward bigger and bigger Government engineering staffs is that the total costs of every project will continue to increase as staffs are increased to meet the occasional peak demands.

Any engineering staff tends to reflect the ability, the ingenuity and the thinking of the man who heads it. In the area of private consulting firms, we can stay in business only if the man at the head is receptive to new ideas, new ways of saving money while doing a top job. If I lose a contract because another engineer has come up with a new approach, evolved a new technique or a new idea, I must, to fulfill my responsibility to my firm, be quick to investigate, to discuss the new ideas and, determine their feasibility—this is engineering competition.

In a Government engineering staff, however, the tendency is to become routine and avoid new concepts until thoroughly proven outside of the Government agency. The competitive challenge to adopt new concepts does not exist.

There is a growing cost of construction. You gentlemen are well aware of that. This growing cost will skyrocket unless we are willing to accept new, moneysaving techniques. The rising cost is not, I firmly believe, due to the use of private firms, but rather a tendency to circumscribe Government engineering with such a multiplicity of controls and safety factors the projects cost far more than comparable projects supported by private capital.

We have some supporting data which we ask permission to submit with this statement. We would also appreciate the privilege of submitting additional supporting data in the near future.

I wish to thank the chairman and the committee for this opportunity to appear.

Supporting data to accompany formal statement of Ralph B. Westcott, president of Consulting Engineers Council before Subcommittee on Public Works of the Appropriations Committee, House of Representatives, on April 13, 1960.

Information included:

A. Policy statement adopted by CEC board of directors "Private of Public Engineering."

B. Some advantages to the public of use of consulting engineers on public works.
C. Authoritative statements on the subject.
D. Some representative cost data.

STATEMENT OF CEC POLICY REGARDING PRIVATE OR PUBLIC ENGINEERING

(Adopted Apr. 8, 1960, board of directors, Consulting Engineers Council)

CONSULTING ENGINEERS COUNCIL BELIEVES IN PRIVATE ENTERPRISE

The council believes that the question of whether public staffs or private consultant firms should design and supervise construction on public projects should be resolved by one criterion only:

WHICH APPROACH WILL BEST SERVE THE INTERESTS OF THE TAXPAYER?

One of the few impartial studies of the relative merits of public and private engineering has been made by the Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover. The Commission recommended that Federal design and construction agencies retain in their own organizations only the personnel required for preliminary study, preplanning and budgeting, and the essential supervisory management and control, and that private orgaizations be engaged for design and supervision of construction to the maximum extent consistent with national security.

Bulletin 60–2 issued by the Director of the Bureau of the Budget contains the following:

"2. *Policy.*—It is the general policy of the administration that the Federal Government will not start or carry on any commercial-industrial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels."

The council subscribes wholeheartedly to the philosophy expressed by the Hoover Commission and by the Bureau of the Budget.

It is clearly uneconomical for Government agencies to expand or reduce their engineering organizations to meet the changing demands for design and supervision of construction. Retention of personnel during slack periods results in unjustifiably high overhead costs. In practice, reductions in personnel of Government staffs during slack periods seldom occurs; payrolls, pensions, and other overhead costs continue long after the programs have been completed.

Consulting Engineers Council believes that the private practitioner has demonstrated his ability to save the taxpayer money on public projects by efficient design, by expeditious services, and by reasonable fees.

To the end that the facts regarding engineering costs are determined and made public, the Council recommends to the Congress of the United States that all public agencies utilizing engineering services for design and supervision of public improvements be required to establish accounting procedures which will truly evaluate the entire costs of the services, including direct and indirect costs such as pay and other allowances for personal services and leave, contributions for retirement and disability, rent, supplies, materials, transportation, warehousing, utilities, depreciation, interest on Government investment, and all other costs reasonably chargeable to the operation.

Consulting Engineers Council urges that true costs to the taxpayeer be secured, evaluated, and made public. At that time Consulting Engineers Council will welcome a qualified and unbiased comparison of public and private engineering costs. The council is confident that the results will justify private enterprise.

B. SOME ADVANTAGES TO THE PUBLIC OF USE OF CONSULTING ENGINEERS ON PUBLIC WORKS

1. By supplementing agency forces, work is completed sooner. The public benefits by lower construction costs and earlier use of the facilities. In the case of highways, earlier construction represents savings in property damage and in life itself.

2. Preparation of plans at earlier dates makes for more orderly and better right-of-way acquisition, resulting in lower cost and less disruption of communities.

3. Makes available experts in special fields who might not otherwise be available to agencies.

4. Creates incentive to better production by agency forces by providing yardsticks of accomplishment.

5. Removes necessity for recruiting large government engineering staffs to handle peak work levels.

6. When peak workload periods are passed, reduction in forces is not required. Stability of personnel results in better morale and thus better efficiency of agency forces.

7. Removes necessity for constructing buildings or renting facilities to accommodate larger staffs.

8. The alternative to cutback of staffs in slack periods is an unjustifiable expenditure of public funds to maintain oversized staffs on "make work" projects.

9. By using consultants, the public pays for the services only when needed.

10. Private consulting engineers, motivated by the desire and necessity for profit, constantly strive to minimize overhead and can adjust more quickly to changes in conditions.

11. Use of consultants provides agency officials with a choice of staffs to accomplish a particular project. If one firm does not have the particular qualifications or has its staff already committed, the agency can choose another.

12. Available records indicate substantial cost savings in use of consultants as opposed to public payroll engineering.

C. AUTHORITATIVE STATEMENTS ON THE SUBJECT

Task Force Report on Real Property Management, Commission on Organization of the Executive Branch of the Government, dated June 1955:

"CONCLUSIONS

"The cost to the Government of its design and construction activities is abnormally high and out of line with the cost of similar work in private industry. This results from having so many offices independently engaged in architectural and engineering work; from overstaffed, permanently retained technical groups; from the many different standards and management practices; and from the absence of operating data which would provide a means of comparing the effectiveness of the numerous Federal design and engineering organizations.

"Private architect-engineer and construction organizations are geared to a broad base of diversified work and to the efficiency and flexibility of large-scale competitive construction activities. In times of peace and of national emergency, they have effectively and efficiently met the demands of the Government on Federal construction projects, as well as the demands of industry for private construction.

"By contracting to private architect-engineer and construction organizations all phases of design and construction work on Government construction projects, relatively small supervisory engineering organizations in the executive agencies could furnish the preliminary study, preplanning, and budgeting, and the supervisory management and control essential for all Government projects, without maintaining through periods of fluctuating demands the present costly overhead for complete engineering and construction staffs. With minor exceptions, the AEC has been operating under such a program. If other Federal agencies could attain the operating efficiency of the AEC, the savings to the Government in just the cost of design and supervision of construction, on the basis of present volume of business, would be more than $100 million annually."

"Recommendation No. 19: That the Federal design and construction organizations (a) retain in their own organizations only the personnel required for preliminary study, preplanning and budgeting, and essential supervisory management and control, and (b) contract to private architect-engineering and construction firms design and supervision of construction to the maximum extent consistent with national security."

From an article, "Should Private Firms Plan Public Works," New York Times Magazine, November 16, 1958, by Robert Moses, chairman, New York State Power Authority; chairman, Triborough Bridge and Tunnel Authority; park commissioner of New York, and city construction coordinator:

"Government employees must take care of budgeting of programs, routine construction, overhead policy decision, supervision, review, and coordination of plans, maintenance, and other essential overhead work. Thereafter, the use of outside professional firms and technicians is the logical and economical method of progressing engineering and architectural design and supervision of most large construction projects.

"There is a familiar, almost constitutional, three-way separation of powers in big public building—that is, in major, original, nonrecurring projects. The work is shared by the Government which conceives, initiates, and controls; the outside consulting engineering or architectural firm, which makes the detailed plans and sees that they are conformed with; and the private contractor, who does the actual construction on the ground. Labor is involved in each of the three: public employees in the first; professional, private, field, and office workers in the second; and union labor in the third.

"When this balance is disturbed, as it is in many foreign countries, such as in South America, where the outside contractor designs and builds and often initially invents, there is usually trouble and always heavy expense. The checks and balances are missing. Disturb that balance, fuse their powers, and you create a private or public monopoly which is no good for Government, the professions, management, labor, or the citizenry in general."

* * * * * * *

"Let us see what the highway officials of the several States will do on the question of making highway plans another Government monopoly. If they do not knock out this grab for power, the roadbuilders will do themselves, their States, the public service, and business generally, a conspicuous disservice."

D. SOME REPRESENTATIVE COST DATA

California Division of Highways

The following figures were abstracted from the 12th annual report of the division of highways, dated January 1959. Excluded from the figures are all administrative expense, "Highway planning" and "Planning survey."

The total expenditure for the latter two items for the fiscal year ending June 30, 1958 was—

Highway planning	$1,178,000
Planning survey	1,161,099

An examination of the report indicates that "Preliminary engineering" includes:

1. Preliminary route location and reconnaisance survey.
2. Final route survey.
3. Preparation of construction plans.

"Construction engineering" includes construction supervision and material testing.

	Volume of construction	Preliminary engineering		Construction engineering		Total engineering percent of construction
		Cost	Percent of construction volume	Cost	Percent of construction volume	
1912–52	$870,930,478	$60,287,042	6.92	$67,576,093	7.76	14.68
1952–53	94,130,979	11,648,494	12.37	9,385,309	9.97	22.34
1953–54	110,025,902	14,735,724	13.39	11,906,251	10.82	24.21
1954–55	132,210,121	17,200,386	13.01	12,382,526	9.37	22.38
1955–56	144,124,391	19,737,032	13.69	15,227,790	10.57	24.26
1956–57	195,115,702	25,168,692	12.90	18,757,035	9.61	22.51
1957–58	213,083,114	29,158,262	13.68	21,894,487	10.27	23.95
Total to 1958	1,759,620,688	177,935,631	10.11	157,129,491	8.93	19.04
Average for past 6 years						23.27

NOTE. California makes practically no use of consultants on the highway program.

Representative toll highways

The following information taken at random from official reports of toll highway agencies is illustrative of engineering costs on highway work where services are performed to a large extent by private consultants. The engineering costs for these projects include "Preliminary engineering" and "Construction engineering" within the meanings accepted in highway work. Also included are the costs of the supervisory engineering staffs of the respective authorities.

SOURCES

Texas Turnpike Authority:	
Financial statements of construction and operation, month of December and calendar year 1959:	
Construction cost	$36,136,929.80
Engineering cost	$3,044,984.82
Percent of construction cost	8.43
The Illinois State Toll Highway Commission:	
15th quarterly progress report, Sept. 30, 1959:	
Construction cost	$289,810,370.00
Engineering cost	$26,131,045.00
Percent of construction cost	9.02
West Virginia Turnpike Commission:	
Statement of construction costs as of Feb. 29, 1960:	
Construction cost	$95,042,623.65
Engineering cost	$8,301,767.56
Percent of construction cost	8.96
Indiana Toll Road Commission:	
1959 annual report:	
Construction cost	$167,218,375.83
Engineering cost	$16,871,334.61
Percent of construction cost	10.09
New York State Thruway Authority:	
10th annual report and letter dated Apr. 4, 1960:	
Construction cost	$799,663,799.00
Engineering cost	$76,894,371.00
Percent of construction cost	9.62
Richmond-Petersburg Turnpike Authority:	
15th progress report:	
Construction cost	$49,130,282.56
Engineering cost	$3,536,904.28
Percent of construction cost	7.20
Florida State Turnpike Authority:	
Sunshine State Parkway, Miami to Fort Pierce section, final engineering report dated July 1, 1958:	
Construction cost	$42,903,786.00
Engineering cost	$3,368,636.00
Percent of construction cost	7.85

NOTE.—The above project is particularly noteworthy in that the entire project, 108 miles in length, was completed and opened to traffic in 19 months after proceeds from the bond issue were received. The short time duration resulted in savings to the turnpike authority in excess of the total cost of engineering by virtue of savings in bond interest.

Mr. WESTCOTT. My name is Ralph M. Westcott. I am from Los Angeles, Calif., and I am national president of the Consulting Engineers Council. With reference to a comment which was made earlier, I would like to amplify one statement: We are not here to ask for any appropriations. We are not asking for any subsidies. All we are interested in is the utilization of the funds which are appropriated in the best interests of the country.

Mr. BOLAND. And the Consulting Engineers?

Mr. WESTCOTT. Yes; and the Consulting Engineers, most definitely. We believe that the Consulting Engineers represent a reservoir of talent in this country. We know that we have been called on twice in national emergencies to support and augment Government staffs which were incapable of performing all of the engineering that was required at the time of those emergencies.

Mr. RABAUT. To what emergencies are you referring?

Mr. WESTCOTT. I am referring to World War II, the Korean war, and also the expanded defense program today as well as the expanded highway program today.

These men are free-enterprisers. We get our work as we can, and are supported by industry and by Government. The work that we do ranges over the broad spectrum of engineering from small air-conditioning systems to complex highway systems, missile launching bases, and what have you.

Last year's report, No. 424, of this committee implied some question on the use of consulting engineers. We do not know what the background of that statement was, but we are concerned that if the trend or the attitude expressed in some public statements to eliminate consulting engineers from doing work for the various Government departments and allocating all of this work to civil service employees, it will destroy or seriously curtail the opportunity to develop the consulting engineering field, and, if carried out, the Government will certainly, in a time of emergency, be the loser and the taxpayers in the long run will ultimately be the losers.

There have been many comments about the cost of consulting engineers' engineering services, which obviously contain the costs of operating any business. These will include direct costs as well as overhead and profit. We contend that our overhead, exclusive of profit, is probably less than any Government agency, if all of the costs of operating that Government agency are taken into account, as is suggested in the Bureau of the Budget Bulletin 60–2.

We further believe that the report of the second Hoover Commission relating to the use of private architectural engineering firms is a valid statement: That the Government agency should maintain only those staffs necessary to carry on the routine work and to supervise preplanning, budgeting, and the supervision of the engineering services that are required.

Mr. BOLAND. We get the impression from the testimony of the Corps of Engineers that that is precisely what they do, and that the private engineering firms are used considerably and with great latitude by the Corps of Engineers. You are familiar with some of the work going on around, are you not?

Mr. WESTCOTT. Yes; we are.

Mr. BOLAND. Let me ask you this with respect to the Los Angeles Drainage District. You are from Los Angeles?

Mr. WESTCOTT. Yes, sir.

Mr. BOLAND. How often do you think the consultants work there?

Mr. WESTCOTT. Not much.

Mr. BOLAND. Who does the work?

Mr. WESTCOTT. The Corps of Engineers.

Mr. BOLAND. What percentage do they do?

Mr. WESTCOTT. I do not have the figures available.

Mr. BOLAND. Is it your contention that the corps is using too much of its own personnel with respect to engineering? Do you have any figures?

Mr. WESTCOTT. I have no way of determining these things. This is one of the things we are here to request help on. We have no way of determining the internal functions or costs, or relationships, or volume or cost of those services in any Government departments.

Mr. BOLAND. You would certainly know what particular projects are being constructed in some particular area and you would know precisely who was doing the engineering work on those projects.

Mr. WESTCOTT. I have not collected that data.

Mr. BOLAND. Your association would not have those figures?

Mr. WESTCOTT. We do not have them readily available; no. I believe we could probably get them, but we would certainly have to go to the Corps of Engineers for assistance in developing that data.

A significant example of Government engineering, as such, is this. I know you gentlemen are not specifically interested in the highway program, but I think it is significant.

In the State of California the highway engineering is done exclusively, to the best of my knowledge, by State employees. In the report of the division of highways to the Governor, covering the full history of the highway department in California, specifically for fiscal year July 1, 1957, to June 30, 1958, they reported total volume of construction of $213 million. That is new highway construction. They report preliminary engineering costs of $29-million-plus, which represents a percentage for engineering against cost of construction of 13.68 percent.

Concurrently with this information, the General Accounting Office has issued a very critical report concerning the Bureau of Public Roads and the manner in which they have handled the Federal aid funds, particularly in the regions of Maryland, New Jersey, and Pennsylvania. That report says that the fees paid to consultants on this work averaged less than 4 percent. These two numbers are comparable.

We will grant that out of the 13.68 in the California situation a portion of that should properly be allocated for supervision of contracts to consulting engineers, if such were given, which they are not in California. We have reason to believe that this same thing exists in all Government engineering organizations.

We are geared to hold our staffs only to those levels required for the workload available. We can increase them or decrease them, and we do this by rotating the technical personnel among the various offices in the regions where we operate.

Mr. RABAUT. Are you familiar with the State of Nebraska?

Mr. WESTCOTT. Specifically on highways?

Mr. RABAUT. Yes.

Mr. WESTCOTT. No, I am not, sir.

Mr. RABAUT. I was wondering if you had any private engineers out there.

Mr. WESTCOTT. Yes, we have private engineers out there.

Mr. RABAUT. Are they on the highway program?

Mr. WESTCOTT. I cannot say definitely, sir.

Mr. RABAUT. We cannot go any further with that. Your comparison is of the percentages under the two cases you cite here.

Mr. WESTCOTT. We believe it is economically feasible and in the country's best interests to use the services of consulting engineers to cover the peak loads of the various engineering departments and to cover the special circumstances.

Mr. BOLAND. Is that not really what they are doing?

Mr. WESTCOTT. Not in many situations, Mr. Boland.

Mr. BOLAND. You would agree that where we have a particularly competent engineering group with the Corps of Engineers in any division office that we should utilize them?

Mr. WESTCOTT. Yes.

Mr. BOLAND. I do not know why we should go outside and hire private engineers or consultants for jobs which can be handled by the Corps of Engineers staff. One of the impressions I get from all the governmental spending in this field is we have a lot of fly-by-night engineering firms that have been established and set up. I do not think the abuse is as great within the Federal Government as in the individual States. I think that is where the States' great problems are.

They have gone outside in many instances where they could utilize their own engineering talents in their own highway divisions. Since we have nothing to do with the highway program, I cannot testify to it, but with respect to the public works functions of the Corps of Engineers, where the corps has a competent engineering staff, I do not think we should go outside for consultants if its staff can handle the workload.

Mr. WESTCOTT. If it could be shown that the cost of operating these staffs would be more costly, taking all factors into account, would you not believe it would be to the best interests of the taxpayers to utilize private engineers?

Mr. BOLAND. Absolutely. But we should come up with facts and figures.

Mr. WESTCOTT. Will you help us get the basic facts out of the Corps of Engineers and Bureau of Reclamation?

Mr. BOLAND. I think it would be easily ascertainable as to what part of the total amount of money allocated for engineering and design work is allocable to private enterprise or what is spent by the corps itself. This figure would be simple.

Mr. WESTCOTT. Will you grant me, then, the inclusion of the housing facilities for those staffs and all of the support and the costs of carrying engineering staffs over the low periods of activity and allocate to engineering costs all of those costs, including the nonproductive time of those staffs? These are the things about which we are concerned as taxpayers.

Mr. BOLAND. We appreciate your concern, and I think this is the concern of every member who sits on this committee, too.

As for the well-established and competent engineering firm, I have no objection to it at all. My problem has been that some fly-by-night engineering firms have established themselves during the course of

great governmental spending in the field of public works. Is this not true?

Mr. WESTCOTT. This is undoubtedly true. The purpose of our organization is to maintain the high standards of technical competence and integrity that we are capable of maintaining by policing within our organization and the activities of new members.

We want to assist you in weeding out the incompetents and the crooks, if you want to put it that way.

Mr. BOLAND. I understand we have had some staff work done in this area because this committee has expressed its concern, not just this year but since I have been on the committee for the past 6 years, with reference to this particular problem. The staff has gone to industry, gone to the engineering consulting firms, and to the Corps. They have been unable to get down to reliable comparabilities on costs.

This is what the staff tells me, and I presume it is true. We would not be getting this kind of information from our own staff if it were not so.

Mr. WESTCOTT. We have worked with your staff.

Mr. BOLAND. Apparently the cost figures which the Corps of Engineers gives and which your organization gives are not comparable.

Mr. WESTCOTT. The fees paid to us are a matter of record.

Mr. BOLAND. The fees are a matter of record, precisely, but how about the basis for establishing the fees, the costs that go into these fees?

Mr. WESTCOTT. These can be related back to the cost of construction. There are many parameters than can be used for fees. Every project has its own peculiarities. We do not have any records available to us for comparison. This is the whole argument, as I understand it, as to whether we are more economical in our procedures than are Government staffs of engineers.

The records of the Government staffs are not available to us.

Mr. BOLAND. They are available to this committee, and we certainly can compare them.

Mr. WESTCOTT. May we look at those records?

Mr. BOLAND. We would be perfectly willing to sit down with you. I appreciate your appearance here today, and I, for one, believe we should pursue this matter further and find out precisely what the costs are insofar as the corps is concerned and how you arrive at your costs. It has been the thinking on the part of some members of this committee that the engineering costs are too high when we contract out to consulting engineers.

Mr. WESTCOTT. Be assured that we are here to cooperate to uncover this information.

Mr. RABAUT. Mr. Jensen.

Mr. JENSEN. I, too, am glad that the gentleman has appeared before the committee because certainly I am a champion of private enterprise. But when the committee sits here year after year and appropriates funds for about 8,000 engineers for the U.S. Army Engineers and around 1,200 for the Bureau of Reclamation and then we learn that the Army Engineers and the Bureau of Reclamation employ outside engineers to do some things that we feel the agencies should

do themselves with their own men. They brag, of course, about having the finest engineers in the world—and I think a lot of them are so you can understand that we on this side of the table must look into these matters and see to it that money is not expended without reason.

I think the thing that brought this about to a great degree was the fact that we discovered there were a number of engineers in the Bureau of Reclamation who were taking outside work with private engineering concerns that had contracts with the Government and other contracts. We felt that the taxpayers of America were entitled to all their time. They claim they only worked on Saturdays and Sundays but, nevertheless, it brought the matter out in the open. Then we began to look further into this matter of the agencies contracting for private engineers to do work where we felt that surely the large staff of engineers in the U.S. Army Engineers and in the Bureau of Reclamation were capable of doing most of this work.

I am going to tell you frankly that I would like to see the private engineers do all the engineering work for the Government. But we have these Army Engineers, which we must keep busy during peacetime, so we will have them available in wartime. It has worked very well, possibly been expensive to the taxpayers of America, but over the long haul it has been good because those Army Engineers really do a job and I commend them even on their peacetime activities. They do a wonderful job on flood control and a lot of things. I have the highest regard for them. In wartime they are indispensable. So it is necessary to have a lot of them. I realize that.

However, if you were sitting on this side of the table trying your level best to see to it that money is not wasted, you would understand our situation. We are in a pretty bad financial squeeze right now. Bob Anderson, Secretary of the Treasury, appeared before us on January 20 and explained to us that we had to be careful about our expenditures or the American dollar would lose its value, and if it did to any marked degree, then America would be in real trouble.

I have been happy to listen to you. I commend you for being here and supporting private industry and your fine organization. They are a great group of people. But please put yourself in our place for a minute and see if you would not be asking and doing about the same thing this committee is doing.

Mr. WESTCOTT. May I reply, Mr. Jensen?

Mr. JENSEN. Yes.

Mr. WESTCOTT. We agree with you. We have no quarrel with the competence of the Corps of Engineers, of the engineers on the staffs of these various agencies. We are as concerned as you, as taxpayers. We want to see these tax funds utilized expeditiously and economically.

What we are saying is this. These various engineering staffs should be utilized to the full extent of the size that they presently exist and except for the need of maintaining those staffs for emergencies—and we, Mr. Jensen, also fill a very vital role in the emergency situations when they arise.

Mr. JENSEN. Indeed you do.

Mr. WESTCOTT. If we were destroyed by failing to utilize us and keep us in business—not with subsidies, but with honest fees for services rendered—this country would be the sufferer.

Mr. JENSEN. You can rest assured that not a member of this committee would do anything to destroy your great profession.

Mr. WESTCOTT. Thank you, sir.

Mr. RABAUT. Thank you very much.

Mr. WESTCOTT. Thank you very much. I appreciate this opportunity to be heard.

WEDNESDAY, APRIL 13, 1960.

WATERWAY IMPROVEMENT PROJECTS

WITNESSES

JOSEPH McINTYRE, AMERICAN MERCHANT MARINE INSTITUTE, INC.

ALVIN SHAPIRO, VICE PRESIDENT, AMERICAN MERCHANT MARINE INSTITUTE, INC.

Mr. CANNON. Mr. McIntyre, we are very glad to have you with us.

Mr. MCINTYRE. I have a very short statement I would like to read into the record and request to have the detailed statement printed in the record, sir.

Mr. CANNON. You may make such comments as you care to and file the detailed statement. It will be made part of the record.

Mr. MCINTYRE. Mr. Chairman and other gentlemen of the committee, I should like with your permission to offer for your consideration this detailed statement by the institute. We are urging adequate appropriations for construction and maintenance work, and studies and investigations with respect to waterway improvement projects.

We appreciate the opportunity of submitting to you this statement indicating our continued concern over the funds which are necessary for the construction and preservation of needed improvements in deep-water channels and harbors on the various coasts to provide adequate depths and widths for deep-draft vessels.

All of the construction projects listed in our statement are important to the steamship industry. The dimensions of our channels and harbors have been based upon the requirements of the T–2 type tanker of 16,500 deadweight tons with a fully loaded draft of about 30 feet. Since 1950, all tankers constructed or those under construction have capacities ranging from 28,000 to 85,000 deadweight tons with dimensions up to 850 feet in overall length, 125 foot beams and drafts up to 46 feet. Contracts have been awarded for the construction of tankers of 100,000 deadweight tons and over with dimensions of about 940 feet in overall length, 132-foot beams and drafts of 47 feet.

In order to indicate to you that the people who ask this actually believe it, I cite one fact alone which we think is good proof of their concern. The major tanker operators have over $1½ billion invested in the new supertankers now afloat or under construction. We think

that is indicative of the fact they believe in the future of America, in the expansion of trade, and they have invested their moneys for that purpose.

Accordingly, it has become necessary for the U.S. Army Corps of Engineers to review the dimensions of our rivers and harbors, as previously authorized by Congress, to determine what increases are required to accommodate these larger vessels.

The institute is appreciative of the consideration given to our rivers and harbors by the President in his budget message to the Congress for the fiscal year ending June 30, 1961. We realize the heavy demands being placed on the national budget, and we have designated a list of the more important deep-water projects which we feel should be given priority for early completion.

The authorized improvements are urgently needed, and we sincerely urge the Appropriations Committee to make provisions for sufficient funds to carry out these projects.

Mr. CANNON. Thank you, Mr. McIntyre.

(The detailed statement referred to follows:)

STATEMENT OF THE AMERICAN MERCHANT MARINE INSTITUTE, INC., ON NAVIGATION IMPROVEMENTS AND MAINTENANCE FOR THE FISCAL YEAR 1961

My name is Alvin Shapiro. I am vice president for the American Merchant Marine Institute, Inc., the largest national association representing American shipowners and operators. The American Merchant Marine Institute, Inc., which represents the majority of American-flag ocean shipping of all categories, fully appreciates this opportunity of submitting to the Subcommittee on Public Works of the House Committee on Appropriations this statement indicating its continuing concern over the delays due to lack of funds with respect to construction of vitally needed improvements in deepwater channels and harbors on the Atlantic, gulf, Great Lakes, and west coasts. The authorized improvements are urgently needed to provide adequate depths, widths, and alinements for deep-draft vessels operated by the institute's member companies.

The American Merchant Marine Institute, Inc., is a trade association composed of about 50 U.S. steamship companies, operating approximately 6,500,000 gross tons of American-flag passenger, tank, dry cargo, and collier vessels in the domestic and foreign trades of the United States.

TRENDS IN BULK CARRIER CONSTRUCTION

In the past 10 years in the construction of large tankers, which is continuing, it has become increasingly evident that channels and harbors whose controlling dimensions were based on the T–2 tankers of 16,500 deadweight tons are now inadequate. Practically all tankers constructed in recent years or which are under construction have capacities ranging from 26,000 to 85,500 deadweight tons and dimensions up to 854 feet in overall length, 125-foot beam and drafts up to 46 feet. The American Bureau of Shipping Bulletin reports that 10 contracts were awarded for construction of tankers of 100,000 deadweight tons and over, and that the *Universe Apollo*, 104,250 deadweight tons, with dimensions of 950 feet in overall length, 135-foot beam and draft of 48 feet was launched December 1958. The transporting capacity of these new tankers greatly exceeds the carrying capacity of the T–2 tankers. The 85,500 deadweight tons *Universe Leader* and its four sister ships, presently transporting petroleum, each have the equivalent carrying capacity of nearly five T–2 tankers.

Tables I and II attached hereto indicate statistically the trend toward larger oil and bulk carriers and dry cargo vessels, respectively. Table III, below, indicates oil tankers under contract, under construction or launched from 1947 to December 1959, inclusive, which have been or are being constructed in accordance with American Bureau of Shipping standards. Table III also indicates that over 60 percent of the vessels under contract, under construction or launched during the period are in the 30,000 deadweight tons class or larger.

TABLE III.—*Oil tankers under contract, under construction or launched 1947 to December 1959*

Deadweight tons	Total	Percentage of total	Number launched up to December 1959
18,000 to 20,000	81	11.9	8
20,000 to 30,000	181	26.5	16
30,000 to 40,000	199	29.5	17
40,000 to 50,000	158	23.5	7
50,000 and over	58	8.6	1
Total	676	100.0	50

Table IV, following, indicates the age of U.S. oil tankers of 10,000 gross tons and over as of 1958.

TABLE IV.—*Age of oil tankers (United States) (10,000 gross tons and over), 1958*

[Compiled from Lloyds Register of Shipping]

Years of age	10,000 gross tons and over	Average gross tons
Under 5	38 vessels, 615,205 gross tons	16,20
5 to 10	14 vessels, 231,664 gross tons	16,50
10 to 15	224 vessels, 2,364,331 gross tons	10,90
15 to 20	33 vessels, 354,511 gross tons	10,70

It is expected that a large number of tankers will be replaced in the next 5 to 10 years, very probably by vessels of from 26,800 to 50,000 deadweight tons carrying capacity having mean loaded salt water drafts up to about 38 feet. It is extremely urgent that the authorized navigation projects, which are not capable of economically handling the larger vessels, be improved at the earliest practicable date, since by 1965 the proportion of supertankers (26,000 deadweight tons and over) will constitute more than 60 percent of the tanker fleet using U.S. ports.

The opening of foreign ore sources, distant from the important world markets, since the close of World War II has resulted in the construction of bulk ore carriers of unprecedented size, ranging up to 60,000 deadweight tons with drafts of 38 feet 8 inches and having dimensions up to 794 feet overall length and breadth of 116 feet. Three of these vessels are already launched and are trading in several U.S. ports. The actual tonnage of ores to three of the major deep-water terminals receiving imports amounts to about 22 million tons per annum and will increase at a rapid rate. The trend towards larger bulk ore carriers is evident from the statistics on ore carriers as shown in table I.

Dry-cargo vessels have similarly increased in size, speed and dimensions and it seems probable that this trend will continue. In 1951, the U.S. Maritime Commission commenced the construction of a fleet of Mariner class of cargo vessels with overall length of about 560 feet and of about 12,900 deadweight tons. This marked a significant trend in the sizes of the dry-cargo vessels which has continued in the form of the modified Mariner-type vessel as the replacement of the Liberty and Victory-type ships constructed in the period of World War II is accelerated. The carrying capacity of the modified Mariner class with its draft of 31 feet 6 inches exceeds the capacity of the previous dry-cargo vessels by about 30 percent.

Table II attached hereto, indicates statistically the trend toward larger dry-cargo vessels.

NAVIGATION PROJECTS TO BE IMPROVED

The authorized improvements to our deepwater harbors and channels would not only be of value from the standpoint of widespread benefits to our economy, as has been recognized by the Congress, but after improvement these projects would also serve a vital function in a war emergency. Overseas shipment of petroleum products and other strategic commodities in the interest of national

defense could be efficiently transported in the new, large-type vessels with their greater capacity and high speeds ranging up to 18 knots. It is of the utmost importance in the interest of our national defense that the deep-channel ports where petroleum in bulk is loaded in deep-draft tankers and the deep-channel ports where these tankers are discharged be given prime consideration during these times in order to effect the maximum economy in tanker use.

The American Merchant Marine Institute, Inc., is appreciative of the consideration given to our rivers and harbors by the President in his budget message to the Congress for the fiscal year ending June 30, 1961. The AMMI realizes the heavy demands being placed on the national budget, and it has, therefore, designated a list of the most important deepwater projects which in its view should be given first priority to early completion.

Table V lists those important authorized projects on the U.S. coasts with the balance to complete after June 1959, the amounts in the President's budget and the minimum amounts urgently recommended by the American Merchant Marine Institute, Inc., to be appropriated by the Congress.

TABLE V.—*Appropriations, river and harbor improvement and bridge reconstruction projects of interest to American Merchant Marine Institute, Inc.*

Project	Estimated cost	Balance to complete after June 1960	President's (budget) (fiscal year 1961)	Recommended by AMMI (fiscal year 1961)
1. Weymouth Fore River, Mass.	$6,034,000	$750,000	$750,000	$750,000
2. Bridgeport Harbor, Conn	3,513,000	3,498,000	750,000	1,500,000
3. Hudson River, New York City to Albany	37,200,000	36,680,000	1,880,000	5,000,000
4. New York Harbor (ocean to Bayside Channel)	1,880,000	1,867,000	None	750,000
5. Delaware River, Philadelphia to Trenton	80,000,000	41,298,000	11,700,000	11,700,000
6. Delaware River, Philadelphia to sea (anchorages)	28,100,000	28,058,000	None	300,000
7. Chesapeake & Delaware Canal (35-foot channel, anchorages and replacement of 2 bridges)	98,840,000	98,463,000	103,000	1,200,000
8. Baltimore Harbor and channels, Maryland	30,000,000	29,972,000	1,500,000	5,000,000
9. Morehead City Harbor, N.C.	1,500,000	942,000	942,000	942,000
10. Port Everglades Harbor, Fla.	8,330,000	8,264,000	750,000	750,000
11. Tampa Harbor, Fla.	14,220,000	117,000	117,000	117,000
12. San Juan Harbor, Puerto Rico	7,200,000	7,185,000	70,000	70,000
13. Mississippi River, Baton Rouge to Gulf of Mexico	8,300,000	6,699,000	2,000,000	2,500,000
14. Mississippi River—gulf outlet, Louisiana	105,000,000	94,606,000	8,750,000	8,750,000
15. Sabine-Neches Waterway, Tex.	11,600,000	7,565,000	1,800,000	3,800,000
16. Brazos Island Harbor, Tex.	4,760,000	100,000	100,000	100,000
17. Freeport Harbor, Tex.	920,000	899,000	899,000	899,000
18. Port Aransas-Corpus Christi Waterway, Tex.	6,320,000	2,878,000	1,500,000	2,000,000
19. Matagorda ship channel, Texas	12,000,000	11,821,000	266,000	266,000
20. Corpus Christi bridge relocation, Texas	4,866,000	512,000	512,000	512,000
21. Galveston Harbor and Houston ship channel, Texas.	17,271,000	17,271,000	None	3,000,000
22. Sacramento River deepwater ship channel, California.	43,400,000	22,069,000	8,000,000	8,000,000
23. Yaquina Bay and Harbor, Oreg.	23,600,000	23,484,000	300,000	300,000
24. Great Lakes connecting channels, Michigan	146,000,000	75,957,000	30,000,000	30,000,000

1. Weymouth Fore River, Mass.

This river is one of the very important waterways contributing to the commerce of the port of Boston. The existing authorized project for Weymouth Fore River provides for a 30-foot channel, 500 feet wide from deep water in Boston Harbor along the southerly half of the Narrow Channel in Nantasket Roads and through Nantasket Gut, thence the same depths and generally 300 feet wide across Hingham Bay and into Weymouth Fore River to the Weymouth Fore River bridge and extending through and above the bridge to form a maneuvering area 470 feet to 650 feet wide.

This project was about 87 percent complete at the end of the last fiscal year. The approximate controlling depths at mean low water are as follows: 29 feet from deep water in Boston Harbor to Nantasket Gut; 17 feet from Nantasket Gut through Hingham Bay to abreast of Sheep Island; 26 feet for the project width of 300 feet from abreast of Grape Island to Weymouth Fore River bridge; 21 feet in the channel and maneuvering area upstream from the bridge.

The controlling dimensions in this waterway are entirely inadequate for tankers of the T–2, T–3 and 28,000 deadweight ton size and dry cargo vessels of the C–4 type. On the other hand if the Weymouth Fore River Channel is completed to 30 feet, in accordance with the existing authorized project, then the foregoing classes of vessels will be able to navigate the channel fully loaded at high tide. An annual saving, evaluated by the division engineer for the 30-foot channel as amounting to over $1 million would be derived from the reduction of delays in waiting for high tide and daylight, and in the reduction in the number of tugs required to handle these large vessels. The institute, therefore, recommends approval of the President's budget request of $750,000 for the fiscal year ending June 30, 1961, in order that work on this improvement may be completed during fiscal year 1961.

2. Bridgeport Harbor, Conn.

Bridgeport Harbor, located on the northern shore of Long Island Sound, about 60 miles east of New York City is a large receiver of petroleum products. The recently authorized project providing for deepening the main ship channel and turning basin to 35 feet, will permit the jumbo T–2 and larger tankers to navigate the channel during all stages of the tide and under all weather conditions. The annual benefits resulting from the improvement as evaluated by the division engineer would amount to over $200,000 with an annual benefit-cost ratio of 3.0. The $1,500,000 recommended by the institute would complete the planning and permit a start on the dredging for the 35-foot channel.

3. Hudson River, New York City to Albany

The Hudson River is a very important waterway linking the eastern seaboard with inland areas. The present authorized plan of improvement for the Hudson River provides for the enlargement of the existing channel to a width of 600 feet from New York City to Kingston, thence 400 feet wide to Albany, with widening at the bends, a turning basin 1,000 feet wide and 1,350 feet long at Albany and two anchorage areas, one near Hudson and the other near Stuyvesant, each with a width of 400 feet and an average length of 2,400 feet; all the foregoing with depths of 32 feet.

The present channel, having a depth of 27 feet and widths varying from 270 to 400 feet from New York City to Hudson and from thence a depth of 26.5 feet and widths from 170 to 400 feet to Albany, has become entirely inadequate for navigation of present day oceangoing vessels, particularly deep laden tankers which have increased in size to a considerable extent.

More than two-thirds of the tonnage received at Albany consists of petroleum products, the bulk of which is transported from refineries in Texas and Louisiana and in the New York Harbor area. Fully loaded T–2 tankers of approximately 16,500 deadweight tons, having a draft of slightly in excess of 30 feet, and carrying about 17,000 tons of petroleum products from southern refineries are relieved of about 5,000 tons of such products upon their arrival in New York Harbor so as to enable such vessels to proceed up the present channel in the Hudson River to Albany, with a reduced draft not exceeding 24 feet.

However, in consideration of the fact that tankers of the T–2 size are rapidly being replaced by larger tankers of 26,000 deadweight tons and up with fully-loaded drafts of 32 feet and up, it is imperative that work on the 32-foot channel from New York City to Albany be completed as soon as possible so that these large vessels may navigate the channel at less reduced draft than at present.

The amount requested by the institute, $5 million, will enable completion of the dredging between Haverstraw and Ossining, initiate dredging between Kingston and Hudson, stripping of the overburden at the upper end between Albany and Matthew Point and initiate construction of the turning basin at Albany. This improvement would provide immediate benefits by extending project depth for 60 miles to include deepwater ports at Peekskill, Newburgh, and Poughkeepsie, would also provide incremental benefits for through traffic to Albany by elimination of delays in awaiting favorable tides and would bring relief from the difficult and hazardous situation which now exists in turning of large vessels, particularly tankers, in the present turning basin at Rensselaer, N.Y.

The annual benefits resulting from the complete improvement would be in the neighborhood of $3,250,000 with an annual benefit-cost ratio of 1.9. We, therefore, strongly urge that an appropriation of $5 million be made for fiscal year 1961 which would secure project completion within a period of 8 years.

4. New York Harbor (ocean to Bayside Channel)

The present difficulties attending navigation in the Bayside-Gedney Channel are due to the crossing tow traffic at the intersection with Swash-South Channel and the strong tidal crosscurrents in the portion of Bayside-Gedney Channel in the area east of Sandy Hook. Fogs cause delays and hazards, particularly at the entrance to Ambrose and Gedney Channels where vessels anchor to await favorable conditions of visibility. The provision of a new entrance channel from the Atlantic Ocean would result in a benefit-to-cost ratio of about 1.5 to 1. The institute, therefore, urges that an appropriation of $750,000 be provided to permit the removal of the wreck along the edge of the channel and to provide an interim depth of 30 feet in this most important entrance to the New York and New Jersey Channels.

5. Delaware River, Philadelphia, Pa., to Trenton, N.J.

The present channel in the Delaware River, which was completed in 1937, is 28 feet deep and 300 feet wide from Allegheny Avenue in Philadelphia to the Delair Bridge, thence 25 feet deep and 300 feet wide to Trenton, N.J. The new project, which was authorized by the River and Harbor Act of 1954, provides for a channel 40 feet deep and 400 feet wide from Allegheny Avenue to the upstream end of Newbold Island, about 5½ miles below Trenton, thence a channel 35 feet deep and 300 feet wide to Trenton Marine Terminal, and increasing the dimensions of the turning basin at the terminal to 800 feet wide and 1,700 feet long. The new project was only about 20 percent complete at the end of the last fiscal year. The total length of the section of the river included in the project is about 30½ miles.

Improvement of navigation facilities on the Delaware River has been one of the primary factors contributing to the industrial and economic growth of the region and has provided, as the growth of the Nation required, a modern port for the service of commerce and trade with all parts of the world. This section of the Delaware River requires a superchannel for the supertype vessels which will use the waterway after the improvement. The economic advantages inherent in the area along the course of the Delaware River from Philadelphia to Trenton, including the prospective improvement of the channel, have attracted new industries to this area. It is certain that when the new channel is completed a great many more commercial enterprises will move into and invest their resources in this area to the benefit of the national defense and economy. We are confident that this will result in an unprecedented industrial expansion of this region. Congress should appropriate $11,700,000 as requested by the President for expenditure on this improvement project in order that it may be completed in about 4 years.

6. Delaware River, Philadelphia to sea (anchorages)

The existing project for the Delaware River, Philadelphia to the sea was modified to provide for widening and deepening Mantua Creek and Marcus Hook anchorages and for dredging anchorages at Deepwater Point and Reedy Point.

The existing anchorages are inadequate both in size and number to meet the needs of present and prospective vessel traffic in the Delaware River. Improvement is needed in the interest of economy and safety of navigation. Congestion frequently exists in the present anchorages. The increasing use of larger ships requiring more swinging room; the trend toward the use of even larger vessels; and collisions, groundings, and delays that have occurred are all evidence of the need for providing in the shortest possible time better facilities for anchoring vessels in Delaware River.

In order that the work may be commenced as promptly as possible, the institute strongly recommends an appropriation of $300,000 to initiate dredging of Marcus Hook anchorage to 40 feet.

7. Inland Waterway, Delaware River to Chesapeake Bay, Del. and Md.

The present channel, which has an authorized project depth of 27 feet and widths of 250 to 400 feet, was completed in 1938. However, the controlling depth in this channel is now between 23 and 24 feet. The work remaining to be done under the new improvement project, which was authorized by Congress in 1954, is as follows: Enlarging to 35 feet deep and 450 feet wide the channel from Delaware River through Elk River to deep water in Chesapeake Bay near Pooles Island, including a cutoff channel at the Pennsylvania Railroad bridge crossing; construction of a high level fixed bridge at the railroad crossing over

the cutoff and high level fixed highway bridges at Reedy Point and Summit, and dredging an anchorage in Elk River 35 feet deep and 1,200 feet wide. The total length of the section included in the foregoing project is about 46 miles.

The dredging and widening of the channel for the transiting of large ocean-going vessels between Baltimore and Delaware River ports and New York, New England and European ports cannot be accomplished until the inadequate and hazardous bridge clearances over the channel are eliminated. Collapse of the bridges would halt traffic in both directions. Accordingly, first consideration was given to the work of removing the old Summit Bridge with its high masonry piers within the channel and replacement of this bridge with a high level highway bridge having adequate clearances which was completed with fiscal year 1960 appropriations. High level highway bridges authorized under the existing project have already replaced old bridges which constituted obstructions to navigation at St. Georges and Chesapeake City. Following elimination of the bridge obstruction and construction of high level bridges, work on the deepening and widening of the channel from Delaware River to Chesapeake Bay should be started. In order that the latter work may be commenced as promptly as practicable, the institute strongly recommends that the Congress appropriate $1,200,000 to complete construction planning for the Pennsylvania Railroad bridge and to start the dry excavation for the channel widening.

8. Baltimore Harbor and channels, Md.

The existing project for Baltimore Harbor provides for a 42-foot channel over the existing 39-foot waterway with a realinement at Rappahannock Shoal and increases in width from 600 to 800 feet in those sections applicable; increased depth in the connecting channel to the Chesapeake and Delaware Canal to 35 feet and width of 600 feet; and increased depth in certain branch channels to 42 feet.

The present channels serving Baltimore are inadequate both in depth and width for safe and efficient operation of fully loaded supercarriers and supertankers in import of ores and petroleum products. Commerce at this port is increasing very rapidly and it is important from a national defense standpoint. This project is needed to accommodate larger vessels and to provide expansion of port facilities. Savings of over $5 million would accrue annually on the cost of transportation of iron ore, petroleum and a short route to the C. & D. Canal.

Port-dependent industries in 1951 included 956 establishments with about 140,000 employees and an annual payroll of about $535 million, while port-serviced industries included 1,000 establishments employing about 50,000 workers with an annual payroll of about $150 million. Because of favorable rail transportation rates and excellent railroad facilities, the areas that can be considered tributary to Baltimore and would share in the benefits from the improvement of the channels includes the States of Ohio, Indiana, Illinois, Wisconsin, and Michigan along with portions of New York, Pennsylvania, Maryland, Virginia, West Virginia, and Missouri which have a population of about 30 percent of the total population of the United States.

Two factors are of prime consideration in navigating Baltimore Harbor and channels: the tidal range and salinity of water. The mean range of tide at Baltimore is only 1.1 feet. While there are advantages to this limited range, there is little to be gained in available depths by navigating at high tide. The water in upper Chesapeake Bay is almost fresh, affording far less buoyancy than sea water. Large deep draft vessels raw about 1 foot more at Baltimore than they do at sea.

The American Merchant Marine Institute, Inc., therefore, urges an initial appropriation of $5 million which would enable the provision of partial width and full depth in the Curtis Bay and Ferry Bar Channels and initiate dredging in the Craighill and Brewerton sections and in lower bay.

9. Morehead City Harbor, N.C.

The existing project would provide for a bar channel 35 feet deep and 400 feet wide, increased to 600 feet at the bend; thence an inner channel 35 feet deep and 300 feet wide to the terminals at Morehead City and an enlarged turning basin deepened to 35 feet.

The controlling depth of 30 feet in the channel and basin are inadequate for the efficient operation of petroleum tankers which handle most of the commerce of the harbor. The benefits that would result from the elimination of delivering petroleum products to Morehead City in partly loaded tankers and benefits from

the decrease or elimination of delays awaiting favorable tides have been evaluated by the Board of Engineers of Rivers and Harbors to be about $100,000 annually for a benefit-cost ratio of about 1.8 to 1.

The institute, therefore, recommends appropriation of $942,000 requested by the President to complete the project during fiscal year 1961.

10. Port Everglades Harbor, Fla.

The authorized project provides for a 40-foot entrance channel of varying widths, thence a channel, 37 feet deep, to a turning basin.

The $750,000 requested by the institute could be utilized to permit initiation of construction in the north turning basin and seaward entrance channel. This improved channel in a growing port would accommodate the four supertankers which could now be operated into Port Everglades, and the six additional which are scheduled for delivery the early part of this year. The benefit-cost ratio evaluated by the Corps of Engineers is 2.2 to 1 in favor of the improvement.

11. Tampa Harbor, Fla.

The existing project for Tampa Harbor provides for channels from the Gulf of Mexico through Tampa and Hillsboro Pass and upper Tampa Harbor to the city of Tampa and through Tampa Bay to Port Tampa, 36 feet deep and 600 feet wide in Egmont Channel, thence 34 feet deep with widths of 500 feet in Mullet Key cut, 400 feet in Tampa Bay, Hillsboro Bay, Port Tampa, and Sparkman Channels, and 30 feet deep with widths of 500 feet in Ybor Channel and 300 feet in Seddon and Garrison Channels; and turning basis 30 feet deep at the mouth of Hillsboro River, 34 feet deep at the entrance of Ybor Channel, 34 feet deep, 2,000 feet long and 750 feet wide at the entrance of Port Tampa terminals, and other improvements of lesser importance. The project was about 99 percent complete at the end of the last fiscal year.

There is a single high tide in Tampa Harbor on most days and delays awaiting suitable tides are as long as 10 hours. On the basis of present receipt of petroleum products, these delays result in losses estimated at over $150,000 each year. In addition, the loading of vessels destined for this port must be limited to drafts of 28 feet 6 inches instead of 30 feet 2 inches, which is the draft of a fuly loaded T–2 tanker. This reduced draft results in a loss of about 1,200 tons for a tanker of the T–2 type. The loss would be greater for the larger types of tankers. The restriction on the loading of the T–2 tanker results in an additional annual loss of more than $200,000. The funds recommended by the President in the amount of $117,000 will permit completion of the project during the early part of 1961.

12. San Juan Harbor, P.R.

The existing project for San Juan Harbor provides for an entrance channel 45 feet deep and 500 to 1,200 feet wide in the bar section; thence 36 to 42 feet deep and 880 to 1,200 feet to Army terminal channel, an approach channel 35 feet deep and 600 feet wide to San Antonio Channel and deepening to 35 feet an area 300 to 1,100 feet wide and 2,800 feet long in San Antonio Channel, deepening Army terminal channel and basin to 36 feet and enlarging the basin to a width of 2,000 feet and a length of 2,100 feet; a new anchorage basin 36 feet deep, 1,550 feet wide, and 3,200 feet long; and a new channel (Puerto Nuevo Channel) 32 feet deep and 300 feet wide.

The limitations of San Juan Harbor under present conditions results in a use of outmoded and inefficient vessels or the uneconomical method of using the T–2 with a partial load. Further, it is totally impracticable to operate supertankers, even under partial loadings, in San Juan Harbor under present channel depth limitations.

The institute therefore urges an appropriation of $70,000 which would complete all engineering required to initiate construction and provide an up-to-date estimate of cost.

13. Mississippi River, Baton Rouge to Gulf of Mexico

This project was about 77 percent complete at the end of the last fiscal year. The completed portion now consists of a channel 35 feet deep and 500 feet wide from Baton Rouge to the upper port limits of New Orleans, a distance of 128.6 miles, 35 feet deep and 1,500 feet wide within the limits of the port of New Orleans, a distance of 17.2 miles; thence 40 feet deep and 1,000 feet wide to the head of the passes, a distance of 86.7 miles.

The work remaining to be done is the deepening of Southwest Pass from 35 to 40 feet by 800 feet wide to the outer entrance of the jetties, a distance of 20 miles, and 40 feet deep by 600 feet wide through the Southwest Pass bar channel. This will provide a 40-foot channel through Southwest Pass up to the lower port limits of New Orleans. Thereafter, in accordance with the existing authorized project, the depth of the channel is 35 feet to Baton Rouge. South Pass is, for the most part, now at its project depth of 30 feet.

It is most important that this navigation improvement be completed as soon as practicable in order that work may be authorized and commenced on the 40-foot channel from New Orleans to Baton Rouge. At present, T–2 type tankers now transport the major portion of petroleum products on the Mississippi River through Southwest Pass at the fully loaded draft of 30 feet 2 inches. However, these tankers soon are being replaced by larger vessels of greater drafts, which makes it impossible for them to operate fully loaded on the 35-foot channel to terminals on the Mississippi River between Baton Rouge and New Orleans. The dimensions and drafts of these larger vessels which are operating on the Mississippi River and Southwest Pass are as follows: 37,800 deadweight tons to 47,000 deadweight tons, having overall lengths from 715 to 740 feet, beams from 93 feet to 102 feet, and drafts of 36 feet 9 inches (37 feet, 6 inches fresh water) to 37 feet 10 inches (38 feet 9 inches fresh water). Because of the present 35-foot depth in Southwest Pass and in the Mississippi River above New Orleans, a maximum fresh-water draft limitation of 35 feet is imposed on these large vessels. One company has stated that if the depth of these channels is not increased to 40 feet, its 37,800 deadweight tons and 47,000 deadweight tons tankers will be forced to operate with a total of about 560,448 tons of dead freight per year. If the depth of the channels is increased to 40 feet, then the 37,800 deadweight tons tankers will be able to operate at their fully loaded fresh-water draft without incurring dead freight. On the other hand, this company reports that its 47,000 deadweight tons vessels would still have to operate about 15 inches light at that draft and the amount of dead freight incurred would be about 108,859 tons per year.

The institute strongly recommends that $2,500,000 be appropriated for the work of dredging Southwest Pass to the authorized project depth of 40 feet at the widths indicated above.

14. Mississippi River-Gulf outlet channel, Louisiana.

The following plan of improvement was authorized by Congress in 1956: construction of a seaway canal 36 feet deep and 500 feet wide, extending 70 miles in a southeasterly direction from New Orleans to the Gulf of Mexico; provision for a turning basin at the landward end of the canal 36 feet deep and 1,000 feet by 2,000 feet and a connecting channel 36 feet deep and 500 feet wide extending westerly along the Gulf Intracoastal Waterway from the turning basin to the industrial canal. The plan also provides for construction at some future time of a connecting channel between the Tidewater Harbor at New Orleans and the Mississippi River.

The distance from New Orleans to the Gulf of Mexico via South Pass is 113.5 miles and via Southwest Pass 120.2 miles. The construction of the seaway canal will reduce the distance from New Orleans to the gulf by about 40 miles. The benefit-cost ratio, as computed by the U.S. Army Engineers, is 1.54 to 1.

The proposed outlet canal and tidewater harbor will permit expansion and improvement of port facilities to serve all waterborne commerce that may be attracted to the port of New Orleans, as the gateway to the Mississippi Valley, with resulting benefits to present and prospective seagoing navigation, and will greatly enhance the capacity of the port for service in time of emergency. The installation and operation of improved terminals on a tidewater harbor would effect a saving of 1¼ days per vessel trip, with resulting economies in port charges and in construction and operation costs of terminal wharves.

The institute recommends appropriation of the $8,750,000 requested by the President to continue the dredging in this waterway.

15. Sabine-Neches Waterway, Tex.

The existing project for the Sabine-Neches Waterway will be about 34.5 percent complete at the end of fiscal year 1960. The work remaining to be done, which was authorized by the Rivers and Harbors Act of 1954, is as follows: (1) Rectification of certain reaches of the Sabine Pass Channel, Sabine-Neches Canal, and Neches River and Sabine River Channels, including completion of the

construction of a cutoff channel in the Sabine Neches Canal to eliminate the sharp turn at the intersection with Neches River; (2) widening to 350 feet the entrance channel to the Port Arthur turning basins; (3) widening curve at junction of Port Arthur and Sabine-Neches Canals; relocation and enlargement of Sabine Pass anchorage area to a depth of 34 feet, width of 1,500 feet and length of 3,000 feet; (4) widening to 200 feet the Sabine-Neches Canal from the mouth of the Neches River to the mouth of the Sabine River and the Sabine River Channel to Orange, except for the channel around Harbor Island at Orange; (5) deepening to 30 feet the Sabine River Channel from the cutoff near the Orange Municipal Slip to the upper end of the project, except around Harbor Island; and (6) enlarging the area at the entrance to the Orange Municipal Slip for maneuvering purposes.

The Sabine-Neches Canal affords deep-water navigation for oceangoing vessels, primarily tankers, from the Gulf of Mexico to the cities of Port Arthur, Beaumont, and Orange. About two-thirds of the cargo transported on this vital waterway is made up of petroleum and its products.

The navigation of large tankers to oil terminals on the Sabine-Neches Waterway is a very difficult operation because of the narrowness of the channels and several sharp turns. In accordance with the terms of a congressional committee resolution adopted last year, the district engineer, Galveston District, will soon conduct a survey and study, commencing probably within a few months, to determine further improvements that should be made in the Sabine-Neches Waterway in order to more adequately accommodate and facilitate the navigation of increasing number of large deep-draft tankers that are now and will in the future be operating to terminals in the waterway. It is certain that a substantial increase in the presently authorized project depth of 36 feet will be recommended for the foregoing purpose.

Accordingly, since the presently authorized project is hardly adequate for the operation of large tankers navigating the Sabine-Neches Waterway, it is imperative that the existing project be completed within the next 2 years so that work may not be held up on the further improvements in this waterway that will, no doubt, be recommended by the district engineer as the result of his survey and study.

The institute, therefore, strongly urges that an amount of $3,800,000 be appropriated in order to expedite the work on the existing authorized project.

16. Brazos Island Harbor, Tex.

The authorized improvement project provides for depths of 38 feet and widths of 300 feet in the channel from the Gulf of Mexico through Brazos Santiago Pass and 36 feet in all other channels and turning basins; 200 feet wide in the channel across Laguna Madre, 200 feet wide in the Port Isabel Channel, including the Y junction with the Brownville Channel, 200 feet wide in the Brownville Channel for a distance of 12.6 miles and 300 feet wide for a distance of about 1.4 miles; from 550 feet to 1,000 feet in the Brownville turning basin from this point for a distance of 2,640 feet over a bottom width varying from 550 feet to 1,000 feet and for 36 feet in the Port Isabel turning basin for a distance of 2,900 feet over a bottom width varying from 200 feet at its entrance to 1,000 feet, connecting with the existing turning basin.

The institute urges an appropriation of $100,000 as requested by the President to complete the widening and deepening of the Brownsville Channel, which will complete the 36-foot modification.

17. Freeport Harbor, Tex.

The authorized project provides for relocation of the outer bar channel on a straight alinement with the jetty channel in lieu of the presently authorized channel, the realined channel to be 38 feet deep and 300 feet wide; and for maintenance of the Brazos Harbor Channel and turning basin, as constructed by local interests, consisting of a channel 30 feet deep, 200 feet wide, and 2,790 feet long, flared at both ends, and extending from the existing Federal channel near the upper turning basin to a basin 30 feet deep, 550 feet wide, and 600 feet long.

The institute recommends that the amount of $899,000, as requested by the President, be appropriated to initiate and complete the 38-foot realined entrance

channel, the 36-foot jetty channel, and the 36-foot inside channel. This will complete the authorized project.

18. Port Aransas-Corpus Christi Waterway, Tex.

The plan of improvement for this waterway was authorized by the Rivers and Harbors Act of 1954. It provides for dimensions as follows: Aransas Outer Bar entrance channel 38 feet deep and 700 feet wide; Aransas Pass jetty channel 36 feet deep and 600 feet wide; inner basin at Harbor Island 36 feet by 650 feet wide and 1,000 feet long, channel from Port Aransas to Corpus Christi turning basin 36 feet by 400 feet; turning basin 36 feet by 1,000 feet wide and 5,500 feet long; industrial canal 36 feet by 200 feet to a turning basin at Avery Point 36 feet by 1,000 feet wide and 1,200 feet long; thence a channel to the vicinity of Tule Lake 36 feet by 200 feet and a turning basin at Tule Lake 36 feet by 900 feet wide and 1,000 feet long.

The present controlling depths in the Port Aransas-Corpus Christi Waterway are as follows: Aransas Pass outer bar entrance channel 37 feet; Aransas Pass jetty channel 37 feet; inner basin at Harbor Island 32 feet; channel from Port Aransas to Corpus Christi turning basin 36 feet with project width of 250 feet; turning basin at Corpus Christi 39 feet; industrial canal 39 feet; Avery Point turning basin 39 feet; channel to vicinity of Tule Lake 30 feet; and Tule Lake turning basin 30 feet.

It is readily apparent from the above statistics that about 55 percent of the work remains to be done to complete the existing authorized project for the Port Aransas-Corpus Christi Waterway. About 95 percent of the commerce on this waterway is made up of petroleum and its products of which there are about 20 million short tons transported annually.

The institute urges that $2 million be appropriated toward completion of this improvement project with fiscal year 1962 funds in order to permit safer navigation and turning of tankers which, as we have pointed out before, are becoming larger and larger.

19. Matagorda ship channel, Texas

The authorized project provides for a deep-draft navigation channel from the Gulf of Mexico through Pass Cavallo to and including a turning basin at Point Comfort, Tex., consisting of an outer bar and jetty channel, 38 feet deep, 300 feet wide and about 6 miles long, from the gulf through Pass Cavallo; an inner channel 36 feet deep, 200 feet wide, and about 22 miles long, across Matagorda and Lavaca Bays to Point Comfort, Tex.; a turning basin at Point Comfort 36 feet deep and 1,000 feet square.

The institute requests an appropriation of $266,000 to complete all engineering work required to initiate construction for the proposed deepwater project which will be used by deep-draft vessels.

20. Corpus Christi Bridge, Tex.

The combination highway and railroad bascule bridge with limited horizontal clearance of 97.6 feet which crosses the entrance channel to the Corpus Christi turning basin constitutes a severe hazard to navigation. The sharp turn at the entrance to this channel, the very narrow channel through the bridge, the bridge structure itself, and the turn into the Corpus Christi turning basin present a most difficult navigation problem for oceangoing vessels. The removal of this bridge was ordered and has been replaced by a new highway-railroad vertical-lift bridge across the channel extension to Tule Lake just above the Avery Point turning basin, and construction by the State of a high-level highway bridge near the present bridge for highway traffic.

This project will be about 90 percent complete at the end of fiscal year 1960. The work remaining to be done is completion of work on the bascule bridge approaches and initiation and completion of the removal of the old bridge.

The institute urges that in order to complete this project, which is so important to navigation, the full amount required therefore, namely, $512,000, be appropriated, as requested by the President.

21. Galveston Harbor and Houston ship canal, Texas

Galveston Harbor and Houston ship canal are among the most important major deep-channel ports in the United States for the loading of petroleum in bulk in deep-draft tankers. Petroleum commerce during calendar year 1958

exceeded 35 million tons per annum of a total of over 55 million tons. The actual volume of petroleum commerce in 1958 exceeds the estimated petroleum commerce (34 millions tons) considered by the district engineer in the interim review of reports dated March 22, 1957 (H. Doc. 350, 85th Cong.) to be prospective to the waterway during the life of the project. The growth of commerce in these waterways has increased beyond all expectations and there is every reason to believe that the growth will increase in the future.

The authorized improvement project provides for dredging Galveston Harbor and channel (entrance channel) to 42 feet by 800 feet from gulf to a point 2 miles west of the seaward end of the north jetty, thence 40 feet by 800 feet decreasing to 40 feet by 400 feet at the junction with Houston ship channel. Dredging Houston ship channel to a depth of 40 feet from Bolivar Roads to the lower end of Brady Island and in Hunting Bayou turning basin with an increase in width to 400 feet from a point 5,000 feet above Baytown to Boggy Bayou; rectifying the alinement between Carpenters Bayou and Greens Bayou and easing 13 curves between Morgan Point and Brady Island; substitution of the Clinton Island turning basin (40 by 500 by 900 feet) for the Brady Island turning basin; etc.

Improvement of these waterways is urgently required to accommodate the large tankers ranging up to 85,000 deadweight tons now in existence. The previous 36-foot project dimensions were designed to accommodate vessels of T-2 tanker size and are entirely inadequate to permit safe and economical operation of the larger tankers of 28,000 deadweight tons and over. The savings from the use of the larger tankers on the Houston ship channel would exceed $4 million annually.

The institute recommends that the amount of $3 million be appropriated to initiate the deepening and rectification of the channel and easing of the bends between Morgan Point and Brady Island.

22. Sacramento River deepwater ship channel, California

The Sacramento River deepwater ship channel is an important commercial waterway on the west coast. The institute agrees that the amount recommended in the President's budget estimate, namely $8 million, should be provided to initiate and continue channel excavation and construction of the lock and bridge.

23. Yaquina Bay and Harbor, Oreg.

The authorized project provides for extending the jetties, deepening the bar and outer end of the entrance channel to 40 feet for a general width of 400 feet, deepening the channel to 30 feet thence to the turning basin for a width of 300 feet, etc.

In order to make Newport, Oreg., a first-class port for shipment of lumber to the east coast, the channels should be improved to accommodate the large cargo vessels presently using them. The benefits to be derived from the improvement has been evaluated at over $1 million annually with a benefit-cost ratio of 1.4 to 1.

The institute, therefore, recommends an appropriation of $300,000 for the coming fiscal year to enable the Corps of Engineers to continue the planning on the project and explore the excavation areas on the bar channel.

24. Great Lakes connecting channels

The St. Lawrence Seaway with a controlling depth of 27 feet from Montreal to Lake Erie has been completed and has been opened for navigation of deep-draft oceangoing vessels in the spring of 1959. The recommendation of the Corps of Engineers that a plan of improvement be authorized for the Great Lakes connecting channels to provide for a minimum depth of 27 feet below low water datum with a resulting safe vessel draft of 25.5 feet for Great Lakes bulk carriers was authorized in March 1956. The work is planned for completion so as to provide a controlling depth of 27 feet in all of the channels between the lakes above Lake Erie by June 1962. The entire program for deepening the Great Lakes connecting channels is planned for completion by 1963.

The member companies of the institute own and operate nearly 70 percent of the oceangoing tonnage registered under the U.S. flag. Certain of our members have already formulated definite plans for operating oceangoing vessels

to and from ports on the Great Lakes, while others are giving serious consideration to this operation.

The institute, therefore, urges that $30 million be appropriated for construction work on these connecting channels during the next fiscal year. The provision of this money will enable dredging work to continue under existing contracts and initiate new contracts in the St. Mary's River, St. Clair River, and Detroit River.

GENERAL

The major tanker operators have over $1½ billion invested in the new supertankers now afloat or under construction. The full value of these tankers to the national economy is not now being realized under the loading handicaps imposed by those channels of inadequate depth and width. It seems to us imperative that direct and immediate action should be taken to complete these major loading and unloading port projects within the earliest practicable time.

The benefits from the use of the large tankers in the completed deep-water ports would be far reaching since their employment at full capacity would result in corresponding savings in transportation costs. There is no type of harbor improvement from which the benefits are more promptly realized and none in which the benefits are as great as those involving the movement of crude oil and crude oil products and other bulk commodities such as ore from foreign sources.

Since the trend is for the use of the larger and newer vessels because of the economy realized in their use, it is incumbent upon the Congress to provide adequate funds to the Corps of Engineers for further navigation studies in those waterways where the larger vessels are being used. The Corps of Engineers requires $35,000 in survey funds for a review of the Sabine-Neches Waterway which must be increased in dimensions to accommodate the new, economical deep-draft vessels which are now and will in the near future use the facilities. The Congress should provide the funds required for the study.

In December 1959 the New York district engineer, Corps of Engineers, U.S. Army, commenced a review study of Newark Bay and Passaic River channels to determine improvements that should be made in these waterways so as to meet the needs of present and future commerce and large oceangoing vessels, particularly tankers. In order that the study may be completed within the 2-year period commencing July 1, 1959, as originally planned, the balance of the amount required for this study, namely $36,000, should be appropriated for the fiscal year commencing July 1, 1960.

The institute also recommends that in order to enable the Corps of Engineers, U.S. Army, to complete their surveys and studies with respect to (1) increasing the navigable area at the junction of Buttermilk, Anchorage, and Red Hook Channels in New York Harbor and (2) dredging certain New York Harbor anchorage areas to relieve congestion and accommodate more vessels, there be provided $9,200 and $21,000, respectively, for the forthcoming fiscal year.

CHANNEL MAINTENANCE

It is not enough that the authorized projects be carried to completion. Once the channel improvements are completed, they are committed to the use of deeper draft vessels and to the loading of the ships to the fullest extent of their capabilities. If channels are allowed to deteriorate and navigable depths are decreased by silting, great inconvenience and loss will be experienced. As an example, Calcasieu River and Pass, La., which has an authorized project depth of 35 feet has shoaled in certain reaches to the extent that T–2 type vessels with draft of almost 31 feet have bottom trouble and the 32,000 deadweight ton tankers with about 33-foot draft require assistance of two tugs to clear the shoal areas.

The institute also requests that maintenance funds to restore project depth and width be appropriated for such important navigation projects as Charleston Harbor, S.C., Delaware River, Philadelphia to the sea; New York and New Jersey Channels, especially in the Kills; and the Port Arthur turning basin. Maintenance funds for these projects will insure the efficient and economic use of the deepwater channels on the east, gulf, and west coasts.

TABLE I.—*Trends in vessel construction*

TYPICAL OIL CARRIERS

Date	Vessel	Overall length	Breadth	Mean summer salt water draft	Speed, knots	Dead-weight tonnage
		ft. in.	*ft. in.*	*ft. in.*		
1960	W. S. Porter	399 2	49 9	24 0	9½	6,500
1908	Texas	413 3	52 0	24 0	12	9,232
1914	John D. Archbold	474 6	60 0	26 1	10¼	9,546
1916	Charles Pratt	516 6	68 0	27 3	10½	15,955
1918	USSB tankers	445 0	59 7	25 6	10	10,000
1941	T-2 tankers (T2-SE-A1)	523 6	68 0	30 2	14½	16,500
1943	Atlantic Sun	547 3	70 0	30 4½	15	17,910
1948	Esso Zurich	628 0	82 6	31 11½	16	26,555
1950	Atlantic Seaman	659 6	85 0	34 3¼	17	30,155
1953	Tina Onassis	775 8	95 0	37 9¾	16	45,000
1953	Petroking	673 0	92 0	34 7¾	15	38,000
1954	Cities Service Valley Forge	707 0	93 0	36 6 9/16	17½	38,000
1954	World Glory	736 6	102 0	37 6¾	16½	45,110
1955	Sinclair Petrolore (tanker and ore carrier)	790 0	106 0	40 0	15	55,500
1956	Cities Service Baltimore	661 0	90 0	33 11½	18½	32,650
1956	Universe Leader	854 9	125 0	46 1	14½	85,500
1957	Esso Gettysburg	715 0	93 0	36 9	18½	37,800
1957	Tidewater	782 0	102 0	37 6	16½	53,085
1958	Universe Apollo	949 9	135 0	48 0	16	104,500
1959	W. Alton Jones	820	116	43 0	16	69,500
1959	Under construction:					
	In U.S. shipyards (for Esso)	740	102	37 10½	16	46,000
	In U.S. shipyards (for Niarchos)	940	134	48	18	106,500

TYPICAL BULK ORE CARRIERS

1922	Marore	571 6	72 0	34 1	11	22,980
1945	Venore	582 11	78 0	34 4	16¼	24,376
1954	Ore Chief	794	116 0	38 8	14	60,000
1955	Leader	680	88 4	34 6	12¾	34,200
1956	C5-S-RM 20a	609	77 0	33 0	16	24,000
1957	Cosmic	744	100 6	37 2	16½	46,500
1958	Rio Orinoco	657 4	87 0	35 1	13½	35,500
1959	Ore Jupiter	751	102 0	35 3½	14¾	45,700

TABLE II.—*Trends in vessel construction*

TYPICAL GENERAL CARGO VESSELS

Date	Vessel	Overall length	Breadth	Mean summer salt-water draft	Speed, knots	Dead-weight tonnage
		Ft. In.	*Ft. In.*	*Ft. In.*		
1899	El Sud	405 9	48 0	22 0	8½	3,417
1909	Jean	382 2	46 0	20 0	8	4,600
1910	El Sol	430 0	53 0	24 0	15½	6,850
1916	Edgar F. Lukenbach	442 0	57 0	28 0	13½	10,470
1918	EFC ships	400 0	52 0	24 0	----------	----------
1934	Angelina	410 11	55 0	24 11½	----------	7,500
1939	C-2 ships (C2-S-AJ1)	459 1	67 0	27 7	15½	10,775
1940	C-3 ships (C3-S-A2)	492 0	69 6	28 6	16½	12,300
	Liberty ships (EC2-S-C1)	441 6	56 10¾	27 8	11	10,800
	Victory ships (VC2-S-AP2)	445 3	62 0	28 6	15½	10,800
1946	C-4 ships (C4-S-B5)	520 0	71 6	32 9⅞	17	15,036
1950	Schuyler Otis Bland	475 0	66 0	28 7	18½	10,516
1952	Mariner class ship	563 8	76 0	29 10⅝	20	12,910
1956	Seafarer (C4-S-RM19a)	529 0	74 6	29 10	18	13,480
1959	Under construction—modified Mariner	563 8	76 0	31 6	20	14,000

WEDNESDAY, APRIL 13, 1960.

OPPOSITION OF RAILROADS TO CERTAIN NAVIGATION PROJECTS

WITNESSES

DOSWELL GULLATT, ASSISTANT TO VICE PRESIDENT (WATERWAYS), ASSOCIATION OF AMERICAN RAILROADS
PROF. CECIL B. HAVER

Mr. CANNON. Association of American Railroads, Colonel Gullatt. You are opposed to certain navigation projects?

Mr. GULLATT. Certain ones; yes, sir.

Mr. CANNON. You may proceed.

Mr. GULLATT. My name is Doswell Gullatt, assistant to the vice president of the Association of American Railroads. Mr. Cannon, I have a statement which I would like to introduce and have printed in the record, and make a few remarks with reference to it.

Mr. CANNON. It will be made a part of the record now, and you may make such comments as you care to.

(Mr. Gullatt's prepared statement follows:)

The railroad industry is appearing today in opposition to the making of appropriations for the furtherance of certain navigation projects as is detailed in statements that have been or will be filed with this committee. The railroad industry will continue to oppose navigation projects built at public expense for which there is inadequate economic justification.

In my remarks today I should like first to clarify for the record the basis of the industry's opposition in these cases and then to discuss what we consider to be the procedural shortcomings of the Corps of Engineers, which has a major responsibility for giving the Congress the facts on which it must base its decision whether or not to spend public funds for navigation. In the course of commenting on what I consider the failure of the corps to fulfill this responsibility in certain respects, I will make reference to particular projects which are now before you.

For some years the proponents of navigation projects in general, and the Corps of Engineers in particular, have tried to convince the Congress and the public that the railroad industry is unreasonably opposed to the authorization, construction and maintenance of all navigation projects at Federal expense. This is not so. The railroad industry has not opposed the expenditure of public moneys for navigation when realistic and factual analysis shows that the project is economically justified. The railroad industry does feel that adequate user charges should be assessed upon this Federal service for navigation, in order to make it self-supporting. The industry does oppose those projects and related expenditures which are not economically justified. Of course, it is possible for the Corps of Engineers to honestly disagree with the railroad view as to the justification. However, the practice of the Corps of Engineers of withholding the traffic data and barge rate factors with transfer costs and other data which were developed by it and used to justify the recommendations for Federal expenditures is arbitrary and impugns the validity of the justification claimed.

In attempting conscientious economic analyses of various navigation projects the railroads have been considerably hampered by the refusal of the Corps of Engineers to make full and candid disclosure of all the facts and assumptions on which its economic evaluations are based. If the estimates made by the corps are right, there should be no objection to disclosure of the facts on which they are based. And if those estimates are wrong, the Congress and the public obviously should know why. For these reasons it seems clear to us that we—and any other interested party—should be accorded the privilege of examining and considering the bases and the supporting data on which a vast expenditure of public funds may be made. The very questionable character of some of the corps' reports was recognized by the subcommittee of the Committee on Appropriations, House of Representatives, 82d Congress of 1951 and 1952, and by the

reports thereon, issued on September 18, 1951, and July 2, 1952, which are captioned "Proposed Tennessee-Tombigbee Waterway" and "Missouri River Channel Stabilization and Navigation Project." These reports contain statements of the congressional committees that:

"Just as the construction cost of the proposed project, as used by the Corps of Engineers in their computation of the benefit-cost ratio, is unrealistic, the corps' computation of benefits is out of touch with reality" (p. 6 of 1951 report).

"It is apparent that the Corps of Engineers has treated known facts with respect to this Missouri River project most lightly, in some instances recklessly. The committee is thoroughly dissatisfied with the corps' performance, and feels that such substantial doubt has been cast upon the corps' methods that their results are hardly worthy of credence" (p. 6 of 1952 report).

These findings are equally applicable to the economic justification claimed by the Corps of Engineers for the Alabama-Coosa Rivers, Arkansas River, cross-Florida barge canal, and Ouachita-Black Rivers navigation projects.

An example of a basic economic evaluation made by the corps without substantiation and known to us appears in connection with the Arkansas River project. This committee will recall that the original estimate of the annual volume of commerce on this project was 9 million tons and the estimated transportation saving expected to result from the project was $19 million. In 1954, however, the corps increased these figures to 13 million tons and $40 million (increases of approximately 45 percent and 100 percent, respectively). Yet neither of these new estimates has ever been substantiated in any form. We do not understand how this Congress can be expected to make a decision on this submarginal project on the basis of these changes, which the corps admitted were inadequate, since it had neither the time nor the money to prepare a survey report. The corps further withholds essential data from public inspection. Why will the corps not produce the point-to-point traffic data and its constructed barge rates to prove its purported justification? The hard fact is that no justification in this respect has even been attempted and expenditure of public funds without such justification is plainly wrong.

One of the major deficiencies of the corps in evaluating and recommending navigation projects is its practice of accepting without apparent question many unsubstantiated estimates of future tonnage made by proponents of navigation projects. These questionable estimates are then used by the corps as the bases on which to predicate the traffic and to determine the average annual volumes of commerce expected to obtain during the useful life of the projects. In respect of the Big Sandy River-Tug and Levisa Forks navigation project and the Tennessee-Tombigee Rivers, for example, the estimates furnished by the proponents and blindly relied on by the Corps of Engineers were later repudiated by the very people who had made them. This is fully documented by the reports issued by the subcommittee of the Committee on Appropriations, House of Representatives, 82d Congress, 1st session, on September 18, 1951, in connection with the Tennessee-Tombigbee Rivers navigation project, as well as by the hearings held by the Committee on Rivers and Harbors, House of Representatives, 79th Congress, 2d session, in connection with the Big Sandy River-Tug and Levisa Forks navigation project.

Another major deficiency of the corps respecting navigation projects is its constant use of constructed barge rates which bear little, if any, resemblance to the actual barge rates which are published, maintained, and used by the public on existing inland waterways. This was the case as respects the evaluation of the Tennessee-Tombigbee project, to take only a single example. There a witness for the Corps of Engineers admitted, only after being severely pressed by counsel for the congressional investigation committee, that published barge rates "were greater than we assumed." Obviously, to the extent that realistic and actual rates are greater than the constructed rates used by the Corps of Engineers, the transportation savings differential is falsely distorted upward.

A fourth basic error on the part of the corps is its failure to adjust the estimated transportation savings of any waterway project for the diversion of traffic from existing agencies of transportation to the new water carriers which will use the project. The corps quite freely admits this practice (see Annual Report, Chief of Engineers, for 1951, p. 299, pt. I, vol. 3), yet it is clearly irrational and arbitrary. It was only by the adherence to this irrational policy that any traffic potential could be established by the Corps of Engineers for the Alabama-Coosa Rivers navigation project. This fact is confirmed on page 12 of the survey report issued on this project under date of July 1, 1958, wherein

the Corps of Engineers stated that "virtually all of the estimated volume of prospective waterborne commerce expected to move on an improved waterway from Mobile to Rome, Ga., would be diverted from existing overland transportation. * * *"

There is a fifth error into which the corps continually falls, which is exemplified in its survey report on the Ouachita-Black Rivers project dated July 31, 1959. This is its failure to consider the facts, either present or historical, when it makes projections for the future. The corps was fully aware of the historical facts when it considered this project, namely, that the waterborne commerce on this waterway for 32 years past has never been of such volume as to justify even the yearly maintenance costs. Yet the corps blandly, without reference to these facts, last year recommended an additional expenditure of public funds exceeding $43 million to increase the size of the locks and the depth of the channel.

The railroads believe that this committee and the Congress have a right to full and factual data and a more responsible performance of the duties of the Corps of Engineers in the field of navigation projects. They believe that the Committee on Appropriations, House of Representatives, was exactly right when in its Report No. 1864 (85th Cong., 2d sess.) it said:

"In this same general connection, the committee has noted the evident supersalesmanship on the part of some corps personnel in whipping up local enthusiasm for projects which from the standpoint of local contributions and other aspects should never have been recommended favorably to the Congress. The committee does not regard extracurricular activities of this type as being either in line of duty or as constructive contributions to the execution of the water resources program" (p. 11).

The projects previously referred to which are now before this committee for additional appropriations are in one respect or another subject to some or all of the deficiencies in the approach taken by the Corps of Engineers that I have outlined. I believe the committee should very carefully examine the facts and estimates submitted by the corps and those submitted in other statements by others, including the railroads, and should require the corps to furnish additional information so that the true justification—or the lack of it—may be made plain to this committee before it provides funds for construction of navigation projects. In justice to the taxpayers of this country, the committee should demand nothing less.

The railroads have asked the Corps of Engineers to furnish them with copies of the barge-rate factors and the traffic estimates including backup data, to include point-to-point movements by commodities with estimate of transfer, terminal, and inland haul charges. These data are all developed and adopted by the Corps of Engineers and are the basis for its estimate of purported savings on proposed waterways. We are asking for the Corps of Engineers' estimates of traffic rates and purported savings, not data furnished to it by proponents of the project. These data have repeatedly been denied to us. This committee attempted to obtain these data from the corps after our testimony last year. However, the data furnished by the corps were useless and without meaning. If the corps has the data, it should furnish them. If the corps does not have the data, it should admit they are not available.

Mr. Chairman, your committee has a right to the full facts, the backup data and a duty to the taxpaying public to demand them on any navigation project prior to the commitment of Federal funds for construction. In view of the failure of the corps to furnish these data and the questionable justifications presented by the corps, may I suggest that no further funds, except the minimum funds required to protect structures and work under construction, be included for any of the questionable projects, which include the Alabama-Coosa, Arkansas, Missouri, Ouachita-Black Rivers and the Florida barge canal.

Mr. GULLATT. I appreciate the time allotted to us from your busy schedule and will limit my remarks to a brief 3 minutes in order to let Dr. Haver have the remaining 12 minutes of our allotted time.

I speak to you as an engineer, having served 28 years with the Corps of Engineers and 14 years as a licensed engineer in the States of Louisiana and Texas.

My statement, which I am filing, cites a number of flagrant deficiencies of the Corps of Engineers in its evaluation of navigation projects. Among these deficiencies, it especially points out that the railroads have asked the Corps of Engineers to furnish them with copies of the barge-rate factors and the traffic estimates including backup information, to include point-to-point movements by commodities with estimate of transfer, terminal, and inland haul charges. These data are all developed and adopted by the Corps of Engineers and are the basis for its estimate of purported savings on proposed waterways. We are asking for the corps' estimates of traffic rates and purported savings, not information furnished to it by proponents of the project. These data have repeatedly been denied to us. This committee attempted to obtain them from the corps after our testimony last year. However, such data as were furnished by the corps were useless and without meaning. If the corps has these data, it should furnish them. If the corps does not have them, it should admit they are not available.

The corps gives as their reason for not furnishing this data that they solicit it in confidence. But the data they make up from information furnished to it by the proponents is supposed to be their own estimate, not the estimate of individuals. It is a composite estimate that is made up by the corps. That is used to support their benefit-cost ratio. It should not be confidential. The corps' estimate should be public information that your committee should have or I, as a taxpayer, should be able to examine. They should be required to support their estimates.

Mr. Chairman, your committee is entitled to the full facts, including the backup data, and, further, your committee has an obligation to the taxpaying public to demand these data on any navigation project prior to the commitment of Federal funds for construction. In view of the failure of the corps to furnish these data and the questionable justifications presented by the corps, may I suggest that no further funds, except the minimum funds required to protect navigation structures and work under construction, be included for any of the questionable projects, which include, insofar as navigation is concerned, the Arkansas, Alabama-Coosa, Missouri, Ouachita-Black Rivers and the Florida barge canal.

Thank you, Mr. Chairman.

Mr. CANNON. You are speaking now of amounts submitted to the committee in the budget estimates?

Mr. GULLATT. Yes, because much of that is being spent on navigation. On the Missouri River the Corps of Engineers is spending this money on channel rectification which I consider is essentially navigation. If time permitted, I believe I could convince you that much damage that has been done this year in the Missouri Valley by floods could have been avoided if the corps had forgotten about early navigation and looked out for flood control.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. GULLATT. There is admission by the proponents that a 9-foot channel cannot be established on the Missouri because they are contending now they should put slack water navigation on the Missouri.

If they put slack water navigation, many people in Missouri will be without some of the wealthiest farms in the country.

Mr. CANNON. Already they have covered some of the most fertile land in the world, as rich as any soil in the valley of the Nile, with 3 feet of sand and gravel. They have gouged out potholes the size of this room which can never be returned to cultivation.

Mr. GULLATT. In 35 years that they have had navigation on the Missouri River the only navigation of any moment is navigation for the Corps of Engineers to do the work on the river. Ninety percent of all the traffic on the Missouri River is for maintenance of the waterway. You are spending every year as much money maintaining a navigation channel on the Missouri as the Ohio River costs.

I have never objected to the Ohio, Mr. Cannon. I just wanted to mention there is one I have not objected to. Also the upper Mississippi.

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. JENSEN. Have you made any estimate of the cost of this proposed slack water proposal on the Missouri River?

Mr. GULLATT. No, sir; I have not made any estimate of it.

Mr. JENSEN. I understand it could run into $2 or $3 billion.

Mr. GULLATT. I would not be surprised.

Mr. JENSEN. I might say I did not favor the 9-foot channel program from its inception, but the Congress saw fit to authorize and the Army Engineers, of course, are dutybound to carry it through as best they can. But I am sure that many of the Army engineers from top to bottom knew full well that it is an expensive undertaking that is not justified from the standpoint of the hundreds of millions of dollars it would cost.

Of course, I had a number of people in my area of southwestern Iowa who thought that by building this 9-foot channel they would get 3 or 4 cents a bushel more for grain shipped by water to the South. But that just simply has not come to pass. Of course, the barges run both ways. It can be an economic disadvantage as well as an economic advantage to the people who think they will get great benefits from water transportation, which pays just about exactly nothing in local, State, and Federal taxes where other modes of transportation pay great amounts into the local and State and Federal Governments.

However, we in this country of our have great freedoms. We have the freedom and the liberty to make one mistake right after the other and nobody can chop our heads off for it, but sometimes the people suffer tremendously for the mistakes Congress makes.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. I am a friend of the railroads, we must keep them, we must preserve them.

Mr. GULLATT. Thank you, sir.

Mr. CANNON. The decline of the railroads in the United States within the last decade is a tragedy.

However, sometimes the railroads are just a little extravagant. I remember that in order to establish the Keystone Dam on the Arkansas Basin project, we have a serious relocation problem. We have to relocate two railroads. However the railroads instead of building one track, which would have served both adequately, have insisted on building two parallel tracks.

This committee is a little bit prejudiced against duplication. The railroads have insisted on building two parallel tracks when one would have served the purpose, and it will cost the taxpayers about $8 million in additional expense.

I hope that the railroads have reconsidered that proposition and that we can expect them in the near future to listen to reason sufficiently to get together and allow us to build one track instead of two tracks. What is the situation there?

Mr. GULLATT. I do not know the answer to your problem right now on the Keystone Dam. I know in another case in Albuquerque some time ago we had a similar situation. The district engineer called on me to help. This was in the establishing of the airfield in Albuquerque. We got the local railroad engineers together, and that problem was solved to the satisfaction of all concerned. I have worked with most of the chief engineers of the railroads. I am sure the chief engineers of the railroads are reasonable men and can come to a reasonable answer. I have acted as go-between to get the corps engineers and railroads together on a number of occasions. I am sure we can get them together in this case for a reasonable answer.

Mr. CANNON. I think you are in position to render great public service, a service to the taxpayers of the country and a service to the railroads, too. I trust the association will interest themselves in this problem before it is too late and agree to the building of just one set of tracks around the reservoir, which will serve the two railroads as well as the two parallel duplicating tracks. The gentleman may proceed.

Mr. GULLATT. I have nothing further to offer.

I would like very much to have the information and backup data so that I can evaluate the corps' estimates realistically. I do not believe the corps should be able to hide behind a mask of confidential data which they refuse to submit to this committee and yet they ask for Federal funds to build projects. The data referred to previously supporting the corps analysis are not available to the public.

If a man will not support his traffic estimates or the corps refuses to, then I question the value of these estimates.

Mr. CANNON. I think the criticism of the gentleman is very much in point. Of course, every service has its points that are subject to criticism, railroads as well as the Corps of Engineers. The gentleman speaks very highly of them, and I join him with my high tribute to the Corps of Engineers, but I think they need a little supervision.

Mr. RABAUT. Mr. Chairman.

Mr. CANNON. The gentleman from Michigan.

Mr. RABAUT. I was just going to say it was long ago when you did that. Over the years much saving has resulted from it.

Mr. CANNON. That was several years ago.

Mr. GALLATT. We believe in the preservation of natural resources and we want to preserve them regardless of their character, but we also would like to see in our preservation of natural resources, as far as navigation is concerned, an adequate charge collected by the Government to construct, maintain, and support and operate these structures and works.

STATEMENT OF MR. CECIL B. HAVER

Mr. CANNON. We will now hear from Professor Haver. You appear in opposition to some of these navigation projects?

Mr. HAVER. I would say that I would be in opposition to those projects, or those public investments that are not economic investments for this Nation.

Mr. CANNON. We will be glad to hear you. That is just the information this committee needs and just the information we are asking for. We will be glad to have you give us anything pertinent.

Mr. HAVER. Thank you, Mr. Chairman.

My name is Cecil Haver. I am an economist specializing in resource development and conservation problems. For the last 14 years I have taught and/or conducted research at the following institutions: University of California, Iowa State College, North Dakota Agricultural College, University of Chicago, and McGill University. Directly or indirectly I have worked on research contracts for and with the Bureau of Reclamation, Department of the Interior, U.S. Department of Agriculture, U.S. Public Health Service, U.S. Corps of Engineers, the Farm Foundation, Resources for the Future, Inc., and the Transportation Center of Northwestern University. At the University of Chicago I participated in and organized research on this Nation's public investments in natural resources, particularly water resources. That research is still moving forward.

Let me make it clear to the committee that my associates and I are in no way opposed to the economic development of this Nation's natural and other resources, but we are opposed to the uneconomic investment and waste.

The following studies are serious efforts to appraise two of this Nation's proposed water resources development projects. Our results are alarming. I hope they will elicit your most considered review.

Today I am appearing before you to bring you some of the results on my research in two river basins, namely, the Alabama-Coosa and the Arkansas.

ARKANSAS RIVER TO CATOOSA, OKLA.

In this first study I report the results and conclusions of our analysis of the U.S. Corps of Engineers navigation development plans for the Arkansas River to Catoosa, Okla. I did this study with the aid to Dr. W. B. Back of the Department of Agricultural Economics, Oklahoma State University, Stillwater, and Mr. L. A. Sjaastad of the Department of Economics, University of Chicago. Our analysis involved a critique of the proposals made by the Corps of Engineers. We did not evaluate all of the traffic possibilities that the corps examined, but we judge them to have grossly overestimated some tonnages and underestimated others. Our estimates are summarized in table I, page v, of our analysis; therein we also provide for comparison the estimates as reported by the Corps of Engineers. Our estimate of total prospective barge traffic on a navigable Arkansas River is 1,936,000 tons per annum during the period of amortization. The corps' 1947 estimate was 9,150,000 tons. This was revised upward to 13,221,000 tons in 1954. Our estimates of total tonnage in barge traffic is 22 percent of the original estimate of the corps and 15 percent of its revised estimate.

Our analysis is, we believe, economically and statistically sound. The methodology for this analysis cannot be stated in simple terms. However, each commodity that we expected to contribute a substantial tonnage on the Arkansas was investigated in terms of production or consumption levels and trends within and without the area. In addition, information about the behavior of traffic in commodities on similar waterways was used. It was necessary to adjust the analysis to each commodity to take into account circumstances unique to the individual commodities and to the area in question. We systematically examined each commodity and made our own projection.

For instance, on page 10 we begin our commodities projection with an analysis of agricultural products and supplies. This group of products made up 17 percent of the savings and 16 percent of the tonnage in the corps' projection. In the case of sugar, the corps projected 164,000 tons of traffic; our estimate was 30,000 tons, a mere 14 percent of the corps' estimate. The statistics on barge traffic in sugar on the inland waterways indicate that (1) the sugar received by inland ports is not in excess of expected consumption in the immediate locality of the port, (2) not all centers of consumption along our inland waterways receive sugar, even though sugar traffic was present along the waterway, and (3) apparently only the populous areas along the waterway received the sugar shipments.

We analyzed such things as canned meat and canned goods that the corps projected substantial tonnages in, namely, 38,000 tons and 98,000 tons, respectively. Our analysis points out that the shipments

of canned meat products in 1951 on all of this Nation's waterways amounted to only 3,612 tons; also on the Mississippi system and its tributaries only 2,560 tons of canned goods other than meat were shipped in 1957. Surely the corps' estimates are excessive. We concluded that only a token tonnage could reasonably be considered prospective.

I would like to draw attention to the soybean projections. The corps estimated 26,000 tons; our projection is four times larger, namely, 100,000 tons. Our analysis on page 14 of this report poses some embarrassing questions that should be answered concerning this and other discrepancies.

The corps' estimate for wheat was 419,000 tons and then this was revised upward by 50 percent to 628,000 tons in the 1954 reevaluation. Our intensive analysis indicates that 128,000 tons of wheat are all that can be considered prospective barge traffic on the Arkansas River.

The corps projects over 205,000 tons of traffic in flour and feed. A perusal of waterborne statistics indicates that the projection for the Arkansas exceeds the barge traffic in all these products on the Mississippi system in 1957 by 43,000 tons.

On page 20 of our analysis we begin a rather extensive analysis of petroleum movements. The corps estimated 3.9 million tons of prospective traffic, this figure being 30 percent of the projected traffic for the waterway. Our most optimistic projection would be 356,000 tons. Similarly, iron and steel products account for 3.2 million tons, or 23.9 percent of the aggregate tonnage projected by the corps. This projection is quite extraordinary when it is considered that in 1954 the total consumption of iron and steel in these two States was less than 800,000 tons. In order for the corps' projection to be a physical possibility, the consumption of these commodities in the amortization period must increase by 400 percent, and all of that increase must be carried into these two States by this river. This would be extraordinary in light of the fact that total movement of steel products on all inland waterways is only 6.5 percent of national output. Our iron and steel projection was 323,000 tons, or 9 percent of that made by the corps.

Using the corps' estimate of $3.07 per ton savings and the corps' estimate of annual charges attributable to navigation, we obtained a benefit-cost ratio of 0.17 to 1. A more likely estimate of the benefit-cost ratio was obtained by using the $1.63 per ton average savings experienced on the 10 of the Nation's most active waterways, yielding a benefit-cost ratio of 0.09 to 1.

Our analysis points out (p. 51) that the Arkansas traffic would on the average have to produce savings of $21.91 per ton, or 121 mills per ton-mile if the navigation project is to cover all of the costs associated with its development and operation. Not even this this Nation's most navigable waterways ever approach such savings. Further, the annual operation and maintenance costs would be greater than the expected annual traffic savings; therefore, if this project is built, it would be in the best interest of the Nation to leave the project unused.

It is obvious that the benefits fall far short of those necessary to render the project economically feasible. On the basis of our analysis, one can conclude that something is wrong. The Arkansas project should receive a full-scale reanalysis and reevaluation before further moneys are spent on it.

Mr. Chairman, I would like to submit this study, "An Economic Analysis of the Navigation Proposal for the Arkansas River and its Tributaries," by Dr. W. B. Back, Mr. L. A. Sjaastad, and myself, and request that it be printed and included in the record.

ALABAMA-COOSA STUDY

In our study of the Alabama-Coosa we reviewed the current proposals concerning Federal development of hydropower and navigation on the Alabama-Coosa River system. In this research, I was joined by Dr. Irving Dubov, consulting economist, Knoxville, Tenn., and L. A. Sjaastad, mentioned earlier. I have our analysis, "An Economic Analysis of the Proposed Public Development of the Alabama and Coosa Rivers" here.

A current report by the Corps of Engineers states that the navigation and power development of the Alabama River to Montgomery is economically justified, the benefit-cost ratio being 1.08 to 1. No cost allocation was offered nor could we obtain one from the corps. The corps' analysis suggests that navigation on the Alabama River to Gadsden in conjunction with private hydroelectric power development is economically justified, the benefit-cost ratio being 1.04. However, the corps grants that the Gadsden to Rome reach is not economically justified.

Our analysis in the main examines the assumptions and methods used by the corps and the Federal Power Commission in an effort to ascertain the accuracy and the effect on the costs and benefits of hydroelectric power and navigation on the Alabama-Coosa Rivers.

The corps' aggregate traffic projection is 80 percent higher than our aggregate projection. The aggregate of our commodity-by-commodity traffic projection was even lower, the corps' being 93 percent higher. The corps has by our comparative analysis grossly overestimated the expected traffic in such items as wood products, refined petroleum products, industrial chemicals, iron and steel scrap and "all other traffic" and underestimated traffic in sand and gravel and phosphate rock.

In our analysis (p. 26) we develop a projection for refined petroleum products. (Let me say with respect to this and other projections that we have confined the involved mathematical and statistical analysis almost entirely to footnotes so as to make our research as readable as possible.) The corps projected 335,000, 1,101,000, and 1,101,000 tons with head of navigation at Montgomery, Gadsden, and Rome, respectively. We based our estimate on an analysis of the parallel Warrior River and analyzed historical trends in local and national production and consumption and projected 107,100 tons, 227,300 tons, and 275,800 tons, respectively, for heads of navigation at Montgomery, Gadsden, and Rome. These estimates are considerably smaller than those of the Corps, but we believe them to be much more realistic, as our projec-

tion techniques incorporate what has in fact happened on a very similar river system which neighbors the Alabama-Coosa. Our estimates further recognize the growing importance of pipelines. We pose the question, Can barge line petroleum operators compete with pipelines? At recent Federal Power Commission hearings, barge line operators revealed rates and costs that indicated they could not hope to maintain the share of traffic that the corps suggests.

We analyzed savings by various commodities, including refined petroleum products (p. 60), and we brought out that the alternative carrier to petroleum products on the Alabama-Coosa to barge lines is pipeline carriers, not railroads. The corps constructs a whole traffic savings analysis on petroleum products by comparing railway freight rates with possible barge rates and takes as traffic savings the difference between these two figures. Our analysis points out that traffic statistics indicate that railroad carriers are no longer important in long-haul transport of refined petroleum products and that pipelines with very low ton-mile rates are the obvious competitors of barge lines. The traffic savings from barge line hauling are negligible when one compares barge line rates with pipeline rates. Indeed, the savings may be negative.

We have analyzed each prospective commodity in a similar way in this research manuscript. Our analysis indicates very scant traffic savings to be attributable to the navigation aspects of this project. Our estimate is a mere 17 percent of that estimated by the corps.

We also analyzed the benefits and costs of the proposed Federal development of hydroelectric power at Millers Ferry and Jones Bluff (p. 74). Benefits of hydropower, of course, are estimated to be the cost of providing alternative private steam electric power. We had the fullest cooperation in this analysis from the Atlanta and Washington offices of the Federal Power Commission. We analyzed certain basic assumptions concerning heat rates, coal costs, plant factors, technology, et cetera, assumed for this project. Our estimate of power benefits is 34 to 47 percent less than those presented by the corps.

Mr. CANNON. If there are errors on the part of the Corps compared to your computations, then we would have to completely revise the ratio of benefits to cost submitted by the Corps. Take for example Millers-Ferry lock and dam over on the Coosa River, if your estimates are correct rather than those of the Corps of Engineers, that would be wholly uneconomical.

Mr. HAVER. Yes.

Mr. CANNON. Even if the variance between the two is only a slight one that would render it uneconomic for us to enter into this huge construction program.

Mr. HAVER. I think that our estimates are economically and statistically sound. I would be willing to defend them anywhere before economic or engineering groups. Our overall benefit-cost ratio for this project would be 0.2 to 1 rather than something greater than 1. When one looks at the various segments of the project we found on the lower river the benefit-cost ratio was 0.11 to 1, and on the Montgomery to Gadsden portion it was 0.09 to 1 and on the upper portion from Gadsden to Rome it was 0.07 to 1. These are greatly less than 1, and the corps points out that they would not recommend the Gadsden to Rome

portion. On power development, our benefit-cost ratio was 0.5 to 1 which would suggest it is uneconomic to develop public power on this river at this time. When we developed this analysis we looked into the Alabama Power Co.'s plans for solicitation of licenses in the area, They are actively asking for other licenses but they have not asked for licenses on the lower Alabama. I suspect it is largely cost considerations that have deterred them; that is the costs of power would not be worth the benefits that they as a company would expect to obtain. When we consider the benefits and costs of hydroelectric development in our study we found that the benefits did not exceed the cost of getting them and, therefore, we would suggest that both the multipurpose dams on the lower Alabama are not worth their cost, I refer to Millers Ferry and Jones Bluff.

We have summarized results on page 113 of our analysis, where we point out that the alternative cost of, and thus the benefits of, hydroelectric power on the Alabama River is $2,499,500 rather than $4,715,000. We could not obtain from the corps a cost allocation for the Millers Ferry and Jones Bluff multiple-purpose water project, but from other data we constructed an allocation. The implications of our analysis are that Federal power development on the Alabama River at Jones Bluff and Millers Ferry is not economically justified.

On page 121 we summarize both the navigation and power development proposal and conclude that navigation and power on each and every stretch of the Alabama-Coosa River is not an economically and feasible investment for this Nation to develop at this time. The benefit-cost ratio for the overall project is found to be a mere 0.2 to 1. The navigation development of the Alabama-Coosa at this time appears to be a very uneconomical use of this Nation's resources, the benefit-cost being 0.11, 0.09, and 0.07 to 1 on the three different reaches studied on this river system. Power development on the Alabama River has a benefit-cost ratio of 0.5 to 1.

To spend any public resources on this project would commit this Nation to a submarginal investment. Surely this Nation has better alternatives on which to allocate its available capital. Our study indicates that the multiple-purpose structures at Millers Ferry and Jones Bluff are not economically justified and should be abandoned.

Mr. Chairman, I would like to submit this study, "An Economic Analysis of the Proposed Public Development of the Alabama and Coosa Rivers," by Dr. Irving Dubov, Mr. L. A. Sjaastad, and myself, and request that it be printed and included in the record.

Mr. CANNON. That was a very interesting dissertation. I wish that you would elaborate further on any point you think ought to be brought out when your transcript comes to you. Feel free to expand it to cover what you think should be included in your testimony.

Mr. HAVER. I appreciate that, sir. Would you consider introducing the analysis itself in the record for publication?

Mr. CANNON. The summary was inserted last year.

Mr. HAVER. With respect to the Arkansas River, may I extend my remarks?

Mr. CANNON. We will be glad to have your recommendations. We thank you very much, Professor Haver.

(The following additional remarks were submitted for the record:)

EXTENSION OF REMARKS BY DR. CECIL B. HAVER RELATING TO ADDITIONAL AUTHORIZATIONS FOR THE ARKANSAS AND THE ALABAMA RIVERS FOR NAVIGATION AND OTHER PURPOSES

In extending these remarks, I would like to present a systematic summary of our research on (1) the Arkansas River navigation proposal and (2) the multiple-purpose development proposals for the Alabama-Coosa River.

Summary of "An Economic Analysis of the Navigation Proposal for the Arkansas River and Its Tributaries," by Dr. Cecil B. Haver, Dr. W. B. Back, and Mr. L. A. Sjaastad

In this economic analysis we review the navigation development of the Arkansas and Verdigris Rivers to Catoosa, Okla., as proposed by the Corps of Engineers. The corps proposal, however, goes beyond the navigation aspect analyzed herein. We leave for later consideration such questions as the economic feasibility of developing the Arkansas River and tributaries for hydroelectric power, water supply, recreation, and flood control. We shall address ourselves to such questions as the following: Is the navigation proposal as developed by the Corps of Engineers (published in H. Doc. 758, 79th Cong., 2d sess., and revised in 1954), economically feasible? Is the project or any separable segment or increment thereof able to accomplish a given purpose as economically as any alternative means, public or private? Are the assumptions used by Corps of Engineers analysis sound and reasonable?

The authors recognize that public policies governing the development of this Nation's water resources are not determined solely on the basis of economic considerations. But even in these cases economic analyses can and do serve a valuable purpose by ascertaining the extent to which costs must be incurred to accomplish tangible as well as intangible results. Although agencies concerned with river basin planning may view economic horizons not extending beyond their own operations, one hopes that our elected Representatives in Congress may transcend this obstacle and seek to achieve decisions consistent with maximizing the general welfare. Our function as economists in analyzing this public investment proposal is to aid the decisionmakers of this Nation in promoting the maximization of the general welfare.

The methodology for this analysis cannot be stated in simple terms. Each commodity expected to contribute a substantial tonnage on the Arkansas is investigated in terms of production or consumption levels and trends within and outside the area. In addition, information about the behavior of traffic in commodities on similar waterways was used in this study. It was necessary to adjust the analysis to each commodity to take into account circumstances unique to the individual commodities and to the area in question.

The entire study is carried out within the context of the benefit-cost criterion; that is, benefits, to whomever they may accrue, exceed the costs. That criterion, commonly used in appraising public works projects, is a necessary but insufficient condition for project approval. It is indeed unfortunate that such a criterion should be applied as it is to these projects. It is easily demonstrated that the benefit-cost criterion cannot correctly choose between competing projects or uses of resources, if we allow the proposition that returns on available capital should be maximized.

The manner in which benefit-cost analysis has been applied permits the creation of vested interests and the use of pressure on the Congress by that interest. Since the costs of a Federal project to any area are proportional to that area's share of total Federal taxation, it is clearly to the area's advantage to favor any project in which its benefits exceed its share of the total costs. For example, in the case of Arkansas River project, about 2 percent of the total cost will be borne by Oklahoma and Arkansas taxpayers, while the major portion of the benefits accrue to those States. Thus, Oklahoma and Arkansas would be net gainers from the Arkansas project even if the benefit-cost ratio were far below unity. Thus, the benefit-cost criterion, as applied, can create local interest in a project which, from the standpoint of the Nation as a whole, should not be undertaken. This defect in the application of the benefit-cost ratio, of course, could be remedied by an application of "user" charges to the services of projects. However, this does not necessarily imply the impossibility of worthwhile public works projects without the application of "user" costs.

Our analysis involved a critique of the proposal made by the Corps of Engineers, whose evaluation we judge to have underestimated the possible tonnage in various instances and overestimated them in others. We chose to make the estimated prospective tonnage of individual commodities as liberal as the analysis would permit. Our estimate of total prospective barge traffic on a navigable Arkansas river is 1,936,924 tons per annum during the period of amortization. (See table.) As reported in House Document 758 (1947) the U.S. Army Corps of Engineers estimated 9,015,000 tons as prospective barge traffic. The corps revised this estimate upward in 1954 to 13,221,171 tons. Our estimated total prospective tonnage in barge traffic is about 22 percent of the original total estimate of the corps, and it is about 15 percent of their revised estimate.

The table following summarizes the results of our commodity analysis and gives our barge tonnage projections with comparisons to those made by the Corps of Engineers.

Comparisons of projected tonnage of barge traffic on the Arkansas River

	Prospective tonnage (2,000 pounds)		
	Corps of Engineers		Results of this study
	H. Doc. 758	1954 reevaluation	
Barge lot:			
Petroleum products	2,384,253	3,925,594	356,000
Iron and steel products	1,145,446	3,156,080	323,000
Scrap iron and steel	220,899	594,218	167,200
Sugar	164,527	164,527	30,454
Automobiles	101,964	166,778	[1] 166,778
Canned goods	98,489	98,489	0
Fertilizer	59,637	0	[1] 0
Soda ash	33,766	57,402	[1] 57,402
Caustic soda	5,201	5,201	[1] 5,201
Coal	1,419,112	1,270,167	100,000
Bauxite	242,495	0	[1] 0
Lead and zinc concentrates	131,700	0	[1] 0
Salt	18,000	18,000	[1] 18,000
Sulfur	15,189	15,189	[1] 15,189
Wheat	419,038	628,557	128,000
Flour and feed	205,881	205,881	0
Cotton	107,836	0	[1] 0
Rice	96,500	0	[1] 0
Corn, oats, and rye	47,200	47,200	8,000
Coffee	25,001	25,001	0
Lumber	565,945	0	[1] 0
Canned meat	38,065	38,065	0
Rock phosphate		165,000	342,700
Soybeans		26,550	100,000
Crude rubber		27,000	[1] 27,000
Total, barge lot	7,576,144	10,634,899	1,844,924
Total, less than barge lot and less than car lot	1,438,856	2,586,272	92,000
Grand total	9,015,000	13,221,171	1,936,924

[1] Not analyzed in this study; estimates by corps in 1954 reevaluation extended.

Agricultural products and supplies comprised 16 percent of the tonnage (1,429,562 tons) and 17 percent of the savings projected by the corps; in our analysis they accounted for 31 percent of the tonnage (609,154 tons). However, our analysis suggests that the corps report greatly overestimates the prospective tonnage of sugar, coffee, canned meat, canned goods other than meat, corn, oats, rye, wheat, flour, and feed, and underestimates soybeans and phosphate rock.

Other barge-lot commodities account for 60 percent of the corps tonnage (6,146,582 tons) and 65 percent of our tonnage projection (1,235,770 tons). The summary table indicates that the corps estimates are considerably larger than the most optimistic estimates that our analysis yields.

We did a rather extensive analysis of possible petroleum movements on the prospective waterway. The corps has estimated 3.9 million tons, which represents 30 percent of the projected traffic for the waterway. Our most optimistic projection would be 356,000 tons, which is less than one-tenth of that estimated

by the corps. Iron and steel products are another major item that was raised substantially in the Corps of Engineers 1954 restudy. These items accounted for 3.2 million tons, or 23.9 percent of the aggregate tonnage proposed by the corps. This projection is quite extraordinary when it is considered that in 1954 the total consumption of iron and steel in these two States was less than 800,000 tons, and in order for the corps projection to be a physical possibility, the consumption of these commodities in the 1975–2024 period must increase by 400 percent and all of that consumption must be carried into these two States by this river. This would be extraordinary in light of the fact that the total movement of steel products on all inland waterways is only 6.5 percent of national output. Our final projection was 323,000 tons, about 10 percent of that made by the corps.

A coal estimate for the Arkansas is a difficult one. The corps set its estimate at 1.27 million tons in 1954, which represented a 10-percent decrease from its original estimate. Our analysis of trends and costs in this region relative to others, and movement of coal by various forms of transportation, leads us to estimate not more than a token movement of 100,000 tons, a mere 8 percent of the corps projection.

The corps projects 594,000 tons of scrap iron and steel. This is a surprisingly high estimate when waterway statistics indicate that in 1957 all waterways only carried 1,400,000 tons and that was only 1.9 percent of the total movement of that product. The corps also estimated a large less-than-barge-lot and less-than-carload-lot traffic for the Arkansas Waterway. Its 2,586,000 tons projection represents 24 percent of the sum of all other traffic estimated for the waterway. Waterborne statistics suggest that this is a gross overestimate; for instance, the traffic summary for the Ohio suggests that the 10 top commodities, none of which can be said to be package freight, take 96.5 percent of the tonnage; package freight then must be less than 3.5 percent of the tonnage handled annually.

Our analysis does not attempt to estimate actual traffic savings expected to accrue to the proposed Arkansas River development, rather we inquired into the range of savings that would be required to justify by the benefit-to-cost criterion the navigation portion of the project. The Chief of Engineers set the benefit-to-cost ratio for the entire project as 1.08 in 1949 and then increased this to 1.19 in the 1954 revision. The benefit-to-cost ratio for the navigation phase, according to the Corps of Engineers estimates, is 1.15.

Using our own projection of 1.94 million tons of traffic and the corps estimate of $3.07 per ton savings, we obtain an estimate of the annual unadjusted benefits to navigation of $5.96 million. The corps estimate of annual charges attributable to navigation is $34,782,000. Thus, the benefit to-cost ratio would be 0.17 to 1. A more likely estimate of the benefit-to-cost ratio was obtained by using the $1.63 per ton, the average savings experienced on the 10 of the Nation's most active inland waterways; thus, the estimated annual gross benefits of $3,157,000 are obtained, yielding benefit-to-cost ratio of 0.09 to 1. Both of these benefit-to-cost ratios are much less than unity and they are both still on the basis of unadjusted benefits. Net savings to navigation development would reduce the unadjusted benefits by one-half (if we assume a straight-line demand curve) when evaluated on the basis of consumers surplus in transportation development.

Our analysis points out that Arkansas barge traffic would on an average have to produce savings of $21.91 per ton, or 121 mills per ton-mile, for an estimated 1.94 million tons per year if the navigation project is to cover all costs associated with its development and operation. Not even this Nation's most navigable waterways ever approach such savings. Further, if the United States builds this navigation project, the annual operation and maintenance costs would be greater than the expected traffic savings; therefore, it would be in the best interests of the Nation to leave the project unused.

It is obvious from our projected tonnages that the savings fall far short of those necessary to render the project economically feasible. On the basis of our analysis, one can recommend that the Arkansas project should receive a full-scale reanalysis and reevaluation. Our own study suggests that it is not feasible and is not justified on the basis of the benefit-cost criterion. If you are willing to accept our analysis as definitive, then the navigation aspects of the project should be deauthorized, as there is no evidence of justified navigation development for this stream.

Summary of "An Economic Analysis of the Proposed Public Development of the Alabama and Coosa Rivers," by Dr. Cecil B. Haver, Mr. L. A. Sjaastad, and Dr. Irving Dubov

Our research summary on the navigation aspects of this project are covered in the direct testimony. Therefore, I would like to raise only one point with respect to navigation and then elaborate on our hydoelectric power benefits estimate.

I am concerned with the question of improving navigation benefits estimates. Under present practice there are two problems: (1) To obtain reliable tonnage projections and (2) to ascertain economically defensible per ton traffic savings.

The method used in our analysis, namely, a mathematical projection based upon economic variables such as trends in economic activity, production, and consumption levels and trends, would appear to have considerable merit over an almost wholly subjective approach to estimating potential traffic. The subjective approach for estimating tonnage has some merit, if unbiased sampling methods are used. Certainly, such subjective methods would aid the corps in interpreting estimates that it obtains by objective methods.

There are a number of questions concerning the estimate of traffic savings. The basic problem is the method of calculating savings is inconsistent with economic theory and our notions of a downward-sloping demand curve. It is obvious that the corps has a downward-sloping demand function in mind when it considers sources of traffic. For instance, in the Alabama-Coosa report the corps indicates three sources of potential traffic: (1) Existing traffic now using other transportation routes, (2) undeveloped traffic which could not previously develop because of existing freight rates or lack of outlets, and (3) new traffic generated by the waterway investment.

The implication of this statement is that the traffic projected for the Alabama-Coosa is made possible because of the postulated lower barge rates. This indicates that the demand curve for transportation in general is downward sloping. If the demand curve were not downward sloping, the "undeveloped" traffic would be already moving by some alternative to waterway transport, as would the "potential" traffic predicted to result from industrial growth made possible by the proposed improvement.

It is fairly clear from this that we are faced with a declining demand curve for waterway transport, and that this curve can be expected to lie below that of the other, more speedy, modes of transport. Under these circumstances, it is not correct to assume that savings to this Nation's economy of a cheaper, but by no means perfect, substitute for existing transportation is simply the difference between rates multiplied by tonnage. The savings that are relevant are related to the area under the respective demand curve for waterway and alternative transportation, up to the quantity of transportation demanded of each; i.e., the "consumer's surplus" is the relevant measure of savings to the shipper. In order, then, to make an accurate calculation of traffic savings, one would need to know the respective demand curves (and there will be a different one for each assumption about the price of alternatives, ceteris paribus). However, we can make a first approximation only if we are willing to assume that the typical shipper is rather indifferent between waterway and nonwaterway transportation (at the same price and quantity), and also that the resulting demand curve can be satisfactorily approximated with a linear function. This first approximation tells us that the real savings to the shipper involved in supplying water transportation would be of the order of one-half the difference in rates times the quantity of water transportation. This is so because we are taking only the area under the assumed linear demand curve rather than the rectangle suggested by the price differential and the quantity of traffic on the waterway.

While this calculation is admittedly arbitrary, it represents a decided improvement over the corps' method. Also, it will be more accurate for determining savings on potential traffic not moving by rail or truck because of prohibitive rates than for traffic currently moving which would be diverted to the waterway if that waterway was developed. This is so because in the former case we can be reasonably certain that the demand curve for barge transport intersects the price axis at the current rail rate, while we can make no such assumption for the latter traffic. In the latter case, the intersection could be either above or below the current rate (since barge transport is currently not available);

under these circumstances knowledge of the actual demand functions would be necessary to determine savings by the consumer's surplus approach.

Another important consideration in determining traffic is the necessity of prorating those savings among the waterways involved. For example, all of the savings of freight moving on the intercoastal waterway and then up the Alabama-Coosa should not be accredited to the Alabama-Coosa; rather these savings should be prorated by some predetermined criterion, so that only benefits directly attributable to the waterway in question are, in fact, accredited to that waterway. In order to avoid, wherever possible, the problems posed by this consideration in the following analysis, comparative rates, which differ from those used by the corps, will be chosen. These refer only to the Alabama-Coosa.

It should be noted, however, that the navigation aspects of the Alabama-Coosa Rivers are not economically feasible on the basis of expected tonnage alone. Even if we took the corps' estimate, as we do, of gross traffic savings, each and every segment of this navigation proposal is not feasible.

Benefits and costs of hydroelectric power on the Alabama-Coosa

I feel I should extend my remarks concerning the benefits and costs of hydroelectric power because this appears to be a crucial point in the development of this system at the present time.

The benefits of hydropower produced by any water resource project may be ascertained by measuring the amount that users would be willing to pay for such power. Thus the value of power to meet such demands could be obtained from alternative sources in most parts of this Nation. Therefore, the cost of power from the most likely alternative source may be taken as a measure of the value of the potential power output of a project. The so-called green book points out the following, "From a public viewpoint, a power project will be economically justified if it provides power needed to meet expected power requirements at a cost not greater than that of the alternative source of power most likely to be used in the absence of the project."

As a practical procedure, the Federal Power Commission, in accordance with its interpretation of the recommendations implied in the green book, has measured the expected benefits of project power by obtaining power values on the cost of equivalent power, including interest and taxes payable on alternative sources of power. These sources may be public or private, but should represent the most likely alternative source to be utilized to serve the same market without the project.

We are not particularly interested in the issue of public versus private power; the arguments on such are quite often irrational and irrelevant. However, we are interested in certain basic things that this controversy seems to rest upon, namely, differences in the way inputs and outputs are priced and the way taxes are treated. In the main, in project reports on Government projects, the Federal power investment is charged an interest cost comparable to the Government borrowing rate. Private power developers must, of course, pay the prevailing market rates of interest which are higher. Similarly, private power producers pay taxes which, in the main, many Federal power projects do not pay; or, charges of payments in lieu of taxes are not considered as a cost. A great deal of confusion with respect to water resource problems can be attributed to the failure to distinguish between the following three objectives which are not unrelated and bear on the discussion above: (1) marginal cost pricing; (2) income redistribution, and (3) optimal resource allocation and investment efficiency. I refer you to our analysis for a discussion of these questions.

The Corps of Engineers' interim report on the Alabama-Coosa is very brief concerning the determination of power benefits from the project's two multiple-purpose dams at Millers Ferry and Jones Bluff.

The corps' estimates were based upon data obtained from the Federal Power Commission. The value of hydroelectric power benefits are estimated to be the value of alternative private steam-electric power. Thus in the case of the Alabama-Coosa, the Federal Power Commission could, as we did, draw on the very recent experience of the Alabama Power Co. in building plants in this area. In our analysis, in table form, we present the costs and annual production expenses of the Alabama Power Co.'s Gorgas No. 3 plant and compare this to the power value estimate used by the corps in appraising the Alabama River Basin power values.

In our analysis we examined each and every assumption upon which these values rest. Any tendency to overcost the alternative source of power will have the effect of increasing the power benefit of a proposed hydro project; conversely, underestimating costs of alternative power sources will unjustifiably decrease the benefits of a proposed project.

The factors analyzed have the collective effect of depressing expected "power" benefits by 47 percent. That is, the alternative costs (benefit to hydro) that the corps should be estimating for the proposed hydroelectric development on the Alabama River is $2,499,500 rather than $4,715,000. This estimate assumes a 2.5 percent alternative cost for capital, thereby putting the private steamplant on an equivalent basis with public hydro. By using 5½ percent interest, the alternative costs would be decreased 34 percent to $3,111,900.

This 47 percent adjustment is arrived at as follows: (1) changing the plant factor to 65 from the unrealistic 51.3 percent suggested by the Federal Power Commission—this cuts the alternative costs 12 percent, (2) changing the heat rate to that of modern thermal units rather than the average of existing units used by the Federal Power Commission—this cuts alternative costs 2.7 percent. (3) reducing fuel costs by 10 percent thereby decreasing alternative costs by 3 percent, (4) discarding the implicit assumption of constant technology and assume that the historic technological growth rate will continue—this reduces expected alternative costs by 16 percent, (5) resource prices should be uniform between public and private alternatives; i.e., either price capital in private alternatives at the Government borrowing rate or alternatively use the social discount rate for both public and private alternatives—this reduces alternative costs by 12.8 percent, (6) include all implicit costs like insurance on both the benefit and cost sides of the benefit-cost ratio—this reduces alternative costs by ½ of 1 percent. Other adjustments of alternative costs should be made but our data on the case was incomplete and the exact assumptions used by the Corps of Engineers on certain items were not known. However, we feel that the above analysis substantiates and justifies the adjustments presented.

The Corps of Engineers did not provide in its analysis, nor would it provide at our request, a cost allocation for the Millers Ferry and Jones Bluff multiple-purpose water projects. A cursory analysis of the data supplied by the corps provided a basis for the allocation of 51 percent of the annual costs to power and 49 percent to navigation, on which basis the annual costs attributable to power are $3,333,800.

The benefit-cost ratio for power alone is 0.75 to 1. If the costs allocated to power are less than those calculated above, the ratio would be somewhat higher. However, the implication from this analysis is clear, Federal power development on the Alabama River at Jones Bluff and Millers Ferry is not economically justified. The benefits to whomsoever they accrue do not exceed the costs.

If one wishes to consider the assumption of differentially pricing capital in this power project, namely, pricing the Federal hydro development at 2½ percent and the alternative private steam plant at 5½ percent, the benefit-cost ratio is still only 0.93 to 1.

If one adjusts the annual charges attributable to the power investment in the project to a discount rate more nearly approximating the social cost of capital, namely, 5 percent, we obtain a benefit-cost ratio of 0.5 to 1. This assumption yields the same conclusion, that the proposed multiple-purpose projects at Millers Ferry and Jones Bluff are not economically feasible from the standpoint of their power aspects nor are they feasible from the standpoint of their navigation functions, and further they are not feasible when the two functions are taken together.

Economic growth and waterway investments

Our water resources studies throw some light on the very pertinent question concerning the relationship of navigation investments to economic growth.

Since income and the state of economic development of a region can be expected to affect the volume of its trade in products and supplies with other regions, some anticipation of future economic development in the Arkansas Valley area is important in projections of barge traffic on the proposed navigable waterway.

Undoubtedly, the location of early economic development in this country was influenced by water for industrial uses and transportation. A pertinent question, however, is: Does the relative rate of economic growth among localities in this country bear any relation to the present public expenditures for navigation development?

In an effort to shed some light on this question, several cities, with and without inland waterway navigation, were selected for comparing population and economic growth since 1940. The results obtained from the tabulation of secondary data are presented in the following table:

Comparison of population and industrial growth of selected cities, 1940–54

	With navigation	Without navigation	
	8 southeastern cities [1]	8 southwestern cities [2]	5 southeastern cities [3]
Population:			
1940, number	1,373,043	1,141,032	541,67
1950, number	1,679,746	1,568,740	674,92
Increase, 1940–50:			
Number	306,697	427,714	133,25
Percent	22.3	37.5	24.6
Value added by manufacturing:			
1947, thousands of dollars	1,114,244	579,349	400,56
1954, thousands of dollars	1,884,616	1,213,532	706,45
Increase, 1947–54:			
Thousands of dollars	770,372	634,183	305,90
Percent	69.2	109.5	76.4

[1] Cities of Memphis, Louisville, Birmingham, Nashville, Knoxville, Chattanooga, Baton Rouge, and Paducah.
[2] Cities of Dallas, Fort Worth, Oklahoma City, Wichita, Tulsa, Little Rock (including North Little Rock), Springfield (Mo.) and Fort Smith.
[3] Cities of Atlanta, Jackson, Roanoke, Winston-Salem, and Raleigh.

Source: Department of Commerce, "A Statistical Abstract Supplement, County and City Data Book" 1952 and 1956.

This table presents an interesting comparison of population and economic (industrial) growth of cities with and without navigable waterways. The results suggest that the conclusions implied in the statements of the Chief of Engineers regarding the impacts of current navigation development should be questioned. Southeastern cities that were on waterways, which had a size and stage of industrialization disadvantage in 1940 and 1947, respectively, and without navigation, progressed at about the same rate in population increase, but at a higher rate in industrial growth than the cities with navigation during the recent periods considered. Also, cities in the Southwest, many in the area of the proposed Arkansas River development (during the periods considered), grew more rapidly in both population and in industrialization than the Southeast cities with available navigation.

In projecting traffic on the Arkansas River in the advent of navigation development, it is proper to consider some allowance for economic development of the area. Generally, we assume a growth of 3 percent per year, which is the historical trend in cross national product of the United States. However, we also take into account individual industry trends, nationally and within the area, in the commodity projections.

WEDNESDAY, APRIL 13, 1960.

KENTUCKY WOODLANDS NATIONAL REFUGE-BARKLEY DAM

WITNESS

MRS. CORINNE R. WHITEHEAD, LYON COUNTY, KY.

Mr. CANNON. Mrs. Whitehead, I believe you wish to be heard on the Kentucky Woodlands National Refuge-Barkley Dam?

Mrs. WHITEHEAD. Mr. Chairman, I do not represent the Lyon Housing Commission. I represent an organization of local property owners in Lyon County who over the past several years have attempted to

help achieve a land replacement program for the Kentucky Woodlands that would be to the interest of the local people and at the same time provide for the optimum development of the Kentucky Woodlands.

Mr. CANNON. You may proceed.

Mrs. WHITEHEAD. I have two letters from individuals that I would like to be made a part of the record at this point.

Mr. CANNON. They will be included in the record at this point.

(The letters referred to follow:)

LYON COUNTY HERALD,
Eddyville, Ky., April 11, 1960.

Hon. CLARENCE CANNON,
Chairman, Appropriations Committee on Public Works,
Washington, D.C.

DEAR SIR: As editor and publisher of the local newspaper, I served as publicity chairman for the Inter-Lake Protective Associates while that organization was pressing for revision of the proposed land acquisition program for replacement lands for Kentucky Woodlands Refuge.

The Fish and Wildlife Service were at all times understanding and cooperative with our local people in formulating a program which would serve the common objectives of the Kentucky Woodlands Refuge and local interests.

I urge that funds for the Kentucky Woodlands land replacement be appropriated.

Sincerely yours,

W. T. DAVIS, *Editor.*

MURRAY STATE COLLEGE,
Murray, Ky., April 4, 1960.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations for Public Works,
Washington, D.C.

DEAR MR. CANNON: It is my understanding that there is some opposition to carrying out an agreement which was entered into between the Corps of Engineers and the Fish and Wildlife Service regarding replacement of land lost to the Kentucky Woodlands Wildlife Refuge by flooding of 44,000 acres of Cumberland River bottom land to form Barkley Lake.

I deem it highly important that the agreement between these two Federal agencies be carried out. The land known as the Pleasant Valley area is surrounded by refuge land and should be acquired by the refuge in accordance with the agreement. Its acquisition would not only give the refuge a solid block of territory but would help solve some problems such as poaching and bootlegging.

I hope you will use your influence to see that no interference with the agreement be permitted.

Very sincerely,

A. M. WOLFSON,
Head, Department of Biological Sciences.

Mrs. WHITEHEAD. Mr. Chairman, members of the committee, my name is Corinne Whitehead. I am a resident of Lyon County, Ky. My interest in this appropriation stems from my having served as chairman of an organization composed of property owners in the "between the rivers" area. It has been our goal to help achieve a land-replacement plan that would serve the interest of our local people and at the same time provide for the optimum development of the Kentucky Woodlands.

This statement reflects our views on the U.S. Army Corps of Engineers Barkley Lake and Dam project and the relationship of that project to important economic and esthetic values associated with the natural and historical aspects of our area.

The land between the rivers is steeped in historical significance. It is the birthplace of the mighty steel industry of today. This was the land of the Indian, pioneer, and the teeming boom communities of the early iron ore miners. It was in our county that William Kelly, who developed the famous Bessemer process for the making of steel, drew the plans and designs for the iron furnaces. Some of his experiments were conducted at the only remaining early furnace which is located in Kentucky Woodlands Refuge. This was the land of abundant natural resources—forests, water, minerals, and wild game.

Today our earlier resources are gone, but in their place we have other newer resources—manmade lakes, new young forests, productive land, famed historical landmarks, and once again growing populations of wildlife.

Kentucky Dam already has been constructed on the Tennessee, and Barkley Dam now is being completed on the Cumberland. The area long known as the land between the rivers is soon to be bounded by two immense lakes. The U.S. Fish and Wildlife Service now has a refuge on lands where the iron ore boom once reached its peak. Prolific fish and wildlife populations again frequent the lakes and streams and reforested hill and bottom lands. The opportunities for economic and recreational development in this section are immeasurable.

The areas influenced by Kentucky and Barkley Lakes will have a recreational visitor-use potential of several million people annually. This visitation has large economic significance and would be directly related to historical and natural attractions. To realize this potential, wise land-use planning will be necessary. Let me begin by stressing the need for maintaining the Kentucky Woodlands National Wildlife Refuge.

Over the years, the presence and operation of this refuge unit has been primarily responsible for preserving and developing natural and historical values which have clearly enhanced surrounding areas. With impoundment of Barkley Lake, large areas of refuge bottomland will be lost. There is a need for replacing these lost lands if future public use opportunities and related economic benefits are to be fully realized.

It is commendable that the 83d Congress, by passage of the River and Harbor Act of 1954, recognized the need for continued operation of the Kentucky Woodlands Refuge by specifying that refuge lands lost through construction of Barkley Lake should be replaced. It is noteworthy to mention at this point that our distinguished Senators Cooper and Clements, during hearings on the matter, spoke out in wholehearted endorsement of the land-replacement provision.

Concurring with the River and Harbor Act of 1954, the Nashville district engineer, Corps of Engineers, and the regional director, Bureau of Sport Fisheries and Wildlife, by an agreement of May 1, 1958, set aside lands within and adjacent to the present refuge site, and within project boundaries on the Cumberland River near Dover, Tenn., to replace these lost lands and thus assure the continued operation of this commendable and valuable conservation endeavor.

The end result would be the greatest good for the greatest number. The replacement plan was authorized by congressional directive and has been designed to affect the least possible hardship on affected

peoples. In this connection, I am informed that the Fish and Wildlife Service will consider trading certain lands lying south of U.S. highway 68 for portions of land required for replacement purposes.

The point has been raised that the land-replacement plan will result in tax losses to the counties involved. I do not believe the acquisition of 5,300 acres of land in Lyon and Trigg Counties will seriously affect the counties' tax structure. The tax losses on lands to be acquired for the refuge will amount to about $600 per year in Lyon County and about $1,400 per year in Trigg County. In contrast, Lyon and Trigg Counties received about $30,000 during 1959 from the sale of timber on the refuge. We have recently been assured each county will continue to receive substantial sums from annual timber sales resulting from maturity of the refuge timber-management program. I believe this sustained revenue will more than replace any apparent tax loss.

With Kentucky Woodlands Refuge located in almost exactly the population center of the United States, I foresee many opportunities for the enhancement of public benefits in the management of refuge areas and Barkley project lands in connection with the development of our national resources. With a continued, efficient refuge operation, many areas of natural attractiveness and educational import will be available for public enjoyment. Historical sites and facilities for boating, picnicking, camping, nature study, and group activities, such as Boy Scout programs and school field trips would be made available. These things will serve to fulfill a rapidly growing need for recreational outlets for our citizens.

Therefore, I request that this committee, consistent with the River and Harbor Act of 1954, approve plans prepared by the Fish and Wildlife Service for the replacement of refuge lands and the relocation of facilities thereon. It is recommended that authorized funds for these purposes be retained as a Barkley Dam and Reservoir cost. It is further urged that the replacement lands be acquired this year so that refuge replacements and the transition of wildlife to new areas can be accomplished prior to complete clearing of Barkley Reservoir bottom lands.

Mr. CANNON. Thank you, Mrs. Whithead.

WEDNESDAY, APRIL 13, 1960.

WILKESBORO RESERVOIR

WITNESS

HON. A. PAUL KITCHIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. CANNON. We will now hear from Congressman Kitchin, of North Carolina. I believe that you wish to be heard on the Wilkesboro Reservoir.

Mr. KITCHIN. That is right. I am not going to take much of your time because I think most of the gentlemen of the committee are at least familiar with this particular project. It has been in the offing for many years. It has progressed to the point now that the construction fund as allocated last under the appropriation act will be

extended before the close of this fiscal year in the relocation, the land purchases, the clearance, and so forth. This is a budgeted item for some $3,300,000, which is approximately half the Government's cost in the ultimate construction of the dam.

The project plan includes, in addition to flood control, provisions for future water supply needs. Requirements for non-Federal participation in project costs, in accordance with the Water Supply Act of 1958, have been met by local interests who sponsored passage of necessary enabling legislation by the North Carolina General Assembly in April 1959; held local referendums on March 1, 1960, which authorized, by a large majority, assumption of the repayment obligation; and signed a contract for payment of that obligation to the Federal Government. Required approval by the Secretary of the Army is pending. Upon such approval, non-Federal cooperation in financing the project will be assured.

The local sponsors, and parties to the repayment contract, are Wilkes County and the city of Winston-Salem, each of which has agreed to pay one-half of the construction costs allocated to water supply, plus interest during construction and interest on the unpaid balance throughout the 50-year repayment period. The applicable interest rate is 2.699 percent, as determined by the Treasury Department for projects initiated in fiscal year 1960. The repayment schedule attached to the contract calls for annual payments beginning in 1973 (10 years after project completion) and extending through 2022. The contract contains an anticipation clause whereby the obligation may be retired ahead of schedule. The capital amount to be repaid (i.e., allocated construction cost plus interest during construction) is $999,512, based on the present project cost estimate of $8,500,000; the actual amount to be repaid will be more or less, depending upon actual project cost. Local interests will also pay the portion of annual operation and maintenance costs allocated to water supply.

Referendums to authorize entering into the repayment contract were held in Winston-Salem and Wilkes County on March 1, 1960. In Winston-Salem the vote was 8,047 for, 5,696 against; in Wilkes County, 10,032 for, 263 against.

The project was authorized by the Flood Control Act of 1946. Funds for preconstruction planning in fiscal years 1956, 1957, 1958, and 1959 were appropriated by the Congress. The Appropriation Act for fiscal year 1960 provided $910,000 for preparation of plans and specifications, initiating land acquisition, and initiating construction of highway reloactions. The budget request for fiscal year 1961 contains an item of $3,300,000 to provide for continuing land acquisition; completing highway relocations; initiating and completing relocations of cemeteries and utilities; and initiating construction of dam, spillway, and outlet works.

STATUS OF FISCAL YEAR 1960 WORK

Preparation of detailed plans and specifications for construction of dam, spillway, and outlet works is in progress in the district office. It is anticipated that construction will be initiated in October or November 1960, as scheduled.

The project real estate office was established in Wilkesboro in November 1959. Surveys, title searches, and other preliminary work

were initiated at that time. Appraisals and negotiations with landowners are in progress. All funds available for land acquisition in fiscal year 1960 will be obligated.

Highway relocations will be constructed by the North Carolina State Highway Commission, subject to payments by the Government under a contract now being negotiated. It is anticipated that all fiscal year 1960 funds available for relocations will be expended when the initial payment under this contract is made.

I could answer any other questions. I hope the committee will grant the amount. It is a budgeted item for $3,300,000.

Mr. CANNON. Thank you, Mr. Kitchin.

WEDNESDAY, APRIL 13, 1960.

KENTUCKY WOODLANDS NATIONAL REFUGE—BARKLEY LAKE AND DAM PROJECT

WITNESSES

HON. ROSS BASS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

LEONARD ROBINSON, CLARKSVILLE, TENN.

REDMON PAYNE, SECRETARY-TREASURER, LEAGUE OF KENTUCKY SPORTSMEN

Mr. CANNON. We will now hear Mr. Leonard Robinson of Tennessee on the Kentucky Woodlands National Refuge, Barkley Lake and Dam project.

Mr. BASS. I am Ross Bass of the Sixth Congressional District. I would like the privilege of presenting Mr. Leonard Robinson, a constituent of mine and a sportsman from my district.

Mr. CANNON. Mr. Robinson, you are very fortunate in being sponsored by Congressman Bass.

Mr. ROBINSON. It is a great honor.

Before I begin I would like to present a prepared statement by Mr. Forrest V. Durand, director of the Tennessee Game and Fish Commission who asked for time and could not get here.

Mr. CANNON. It will be made a part of the record.

(The statement referred to follows:)

STATEMENT OF FORREST V. DURAND, DIRECTOR, TENNESSEE GAME AND FISH COMMISSION

Stewart County, Tenn., has the potential of being developed into a tourist, hunter's, and fisherman's paradise. It has a great historical background and this is evidenced by historical markers and developed locations attractively laid out for tourists, to enable them to observe in detail the strategically important Civil War, Fort Henry-Fort Donelson campaign. The focal point is the Fort Donelson Military Park which lies adjacent to the picturesque town of Dover located on a high bluff above the Cumberland River. Buildings still stand which were there during this campaign and in which important and far-reaching decisions were made. The Cumberland River itself, famous in story and history, flows below. Even for the casual tourist, Stewart County has much to offer.

Bordering the county on the west is Kentucky Lake, one of the Nation's top fishing areas. Barkley Reservoir, for all intent and purposes, bisects the county. The two great reservoirs are to be connected by a canal; thus, water

sports of all description will be facilitated and this area will be the key point in water traffic between the great U.S. Engineer reservoirs on the Cumberland River, and the TVA impoundments on the Tennessee River which constitute the "Great Lakes of the South." These two great bodies of water bounding or located within Stewart County, and their tributaries, will create a fishing resource potential of practically unlimited scope.

Much of the county is heavily wooded and through the efforts of the Tennessee Game and Fish Commission a good deerherd has been established and small game hunting abounds. Through the cooperative efforts of the U.S. Fish and Wildlife Service and the Tennessee Game and Fish Commission, Kentucky Lake has been developed into an outstanding waterfowl shooting area. Further factors to consider are the military holdings connected with Fort Campbell in the northwest part of the county which form a game reserve, and the Stewart State Forest in the southern part of the county.

This presents Stewart County as it is today. It is an area of great possibilities so far as tourist attraction, recreational, and hunting and fishing possibilities are concerned. It is the Tennessee Game and Fish Commission's wish to help develop these potentials which will result to the benefit, not only of Stewart County, but to the State of Tennessee, indeed, to the entire central portion of the United States, when the growing need for recreational areas in the face of growing pressure for such facilities is considered.

The Tennessee Game and Fish Commission expects to continue with the development of the county's deer herd and possibly with the introduction of other big game species to the end of, within a few years, establishing this as one of the really good big game areas in the State. We are constantly working to take advantage of our great reservoir areas to develop better and better fishing facilities, both for the sports and commercial fisherman. We believe that the creation of Barkley Reservoir will enable us to develop an additional, fine waterfowl shooting area. It lies strategically favorable for this.

We have a very fine working relationship with the U.S. Engineers in middle Tennessee which has enabled us to do some very constructive development work along this line on the Old Hickory and Cheatham Reservoirs. This development has not been limited to waterfowl shooting and refuge areas, but has also been expanded into the field of upland game bird production. The immense flats and shallow areas incident to Barkley Reservoir's creation will afford an outstanding opportunity for such further development, and our plans are to take full advantage of this opportunity, however, refuge areas are essential to properly producing shooting areas.

Establishment of the Cross Creeks refuge is vital to the proper development of areas farther downstream as a shooting area. Indeed, it is a vital segment in our plans for the entire area.

It is the Tennessee Game and Fish Commission's considered hope that those who hold in their hands the final authority as to whether or not the comparably small addition of fee simple acquisition will be made which will be necessary to enable the U.S. Fish and Wildlife Service to develop the Cross Creeks area into a refuge, will decide favorably on doing this.

Our hopes and our plans for this county and for this region are great and they are based in a very vital way upon the establishment of this refuge.

Mr. ROBINSON. Thank you, Mr. Chairman.

I have a letter from the Montgomery County Conservation Club, of which I am a member, authorizing me to appear before your committee.

Mr. CANNON. It will be included in the record at this point.

(The letter referred to follows:)

MONTGOMERY COUNTY CONSERVATION CLUB, INC.,
Clarksville, Tenn., April 9, 1960.

Hon. CLARENCE CANNON,
Chairman, Public Works Committee,
Washington, D.C.

DEAR CONGRESSMAN CANNON: Mr. Leonard Robinson, who will appear before your committee today has the unqualified approval of this club to present pertinent facts pertaining to the proposed Cross Creeks National Wildlife Refuge in the vicinity of Clarksville, Tenn.

Our organization is entirely in favor of the refuge and our approval is given for what merits it may have. We know that tremendous success has been accomplished in the last 20 years in developing breeding areas and refuges for migratory fowl, both in this country and Canada. A lot of this work has been done by clubs and individuals on an entirely unselfish basis. Please try to put over to your committee that they can further aid this fine work by establishing the Cross Creek refuge which will certainly lengthen the chain of protected areas for migratory wildfowl.

Very truly yours,

A. D. DAVIS, *President.*

Mr. ROBINSON. I have a letter from the United Sportmans Club of Palmyra, Tenn., and they would like to authorize me to present my statement.

Mr. CANNON. It will be included in the record at this point.

(The letter referred to follows:)

APRIL 9, 1960.

Hon. CLARENCE CANNON,
Chairman, Public Works Committee,
Washington, D.C.

DEAR CONGRESSMAN CANNON: We of the United Sportmans Club of Palmyra, Tenn., are thoroughly familiar with the proposed Cross Creeks National Wildlife Refuge and we sanction the presentation to your committee by Mr. Leonard Robinson, certain facts toward establishing the need for the refuge.

We and the Montgomery County Conservation Club, of Clarksville, have always cooperated in every endeavor that each organization has made toward improving wildlife in our county and we know that Mr. Robinson, as well as our members has an unselfish motive in his endeavor. He has spent many hours away from his business in working on projects; a most recent resulting in the release of 50 deer in our immediate vicinity.

Your earnest consideration of the facts that we have presented and all other information that will be presented from time to time toward getting your approval of this fine endeavor, will be appreciated.

Very truly yours,

W. H. JACKSON, *chairman.*

STATEMENT OF MR. LEONARD ROBINSON

Mr. ROBINSON. Mr. Chairman, members of the committee, my name is Leonard Robinson, my home is Clarksville, Tenn. I am representing the Montgomery County Conservation Club—500 members, the United Sportsmen Club, Palmyra, Tenn.—300 members, and two groups of landowners closely related to the proposed Cross Creeks National Wildlife Refuge. Of the landowners I represent, 25 individuals are owners of 6,022 acres of land, most of which is being considered for refuge acquisition. The second group of 13 individuals consists of all of the owners of the land immediately north of the refuge, which is being proposed for a State waterfowl shooting area. I have with me petitions favoring the refuge plan and signed by these individuals. The interest of the sportsmen in a project which will conserve our wildlife resources and improve hunting is obvious.

Gentlemen, our group is not motivated by selfish interests. We consist of businessmen, farmers, laborers, and professional men. We realize the value of a dollar. We would not be party to any action which would impair the economy of our area. It is our considered opinion that establishment of a national wildlife refuge, or rather the relocation of vital portions of an existing national wildlife refuge, in the Cross Creeks area, cannot be anything other than beneficial to the economy of Stewart County and Tennessee as a whole. This will be a switch from the effects of the establishment of Fort Campbell,

which took 26,000 acres of Stewart County land, most of its tobacco crop, and a good percentage of its citizens, while Clarksville and Montgomery County reaped the lion's share of benefits. Now is the time to recoup some of these losses and we believe that it can be done through the plan offered. I will now substantiate this statement.

I hope that you gentlemen have read and studied the report on the effects of Barkley Reservoir and Cross Creeks National Wildlife Refuge on Stewart County, Tenn. This report was prepared last year by the Tennessee State Planning Board at the request of the Twin Lakes Development Association. This comprehensive and clear presentation of the findings of a trained and efficient study group expresses our belief more clearly than I can. This report takes into consideration all the economic factors involved and concludes that, far from harming the area, the refuge will actually more than repay the county and State any tax moneys considered lost—which only amounts to $414 per year. The return will not be from actual funds from the refuge itself—although there will be some money from license fees and other sources. The main benefit will come from the general overall increase in business brought about by the attraction of sportsmen all through the year. Fishing would continue without the refuge, but what the area needs are resources which would attract people year-round—fishing and hunting. Without the refuge, hunting for waterfowl or game animals would be no better or worse than any other place. There would be nothing to concentrate the waterfowl and no scientific management of game. With the refuge, there would be both. Waterfowl hunting on the lands surrounding the refuge would also be greatly improved. On State-managed land, the ordinary hunter would be provided shooting. Private lands could provide a source of income to the owner through hunting privilege fees. In addition, the refuge would require personnel and housing, purchase of feeds, seeds, fertilizers, gasoline, office supplies, and so forth, the bulk of which would be purchased locally.

No, gentlemen, we are not afraid of any economic harm coming from the establishment of Cross Creeks National Wildlife Refuge. We do have some real fears, however, and this is the main reason I am here. We have been advised by competent authority that when the new lake fills up, Kentucky Woodlands refuge will lose practically 100 percent of its efficiency for waterfowl. Even with acquisition and development of replacement lands in Kentucky Woodlands, only about 25 percent of the waterfowl population can be retained. Without the new Cross Creeks refuge, 75 percent of our wintering waterfowl will be lost.

Gentlemen, this would be a serious loss to the lower Cumberland and Tennessee Rivers Valleys. We cannot tolerate such a loss. Waterfowl will not remain in the valley without food and resting areas.

Our winter flocks will move farther south or stay in Illinois. We will have very little, if any, waterfowl shooting. Only by relocating those choice feeding areas can we retain our winter waterfowl. The best, and about the only place where this can be done, is in the Cross Creeks area.

It has been said that a refuge would occupy space that could be developed as a commercial or cabin area or some other use worth more

to the local economy. This is not true in this particular area. The new lake, between river miles 90 and 102, will be wide and shallow. Most of the year, it will be an area of mud flats and very shallow, muddy channels. Boating will be hazardous. Mosquito control will be required. In other words, the whole aspect of the area would not favor commercial, residential, or recreational development. The mud flats, however, will be ideal for sowing of waterfowl foods and the embayments lend themselves well to construction of subimpoundments for waterfowl.

In summary, it is the considered opinion of the Montgomery County Conservation Club, the United Sportsmen Club, and the local landowners, that the establishment of Cross Creeks National Wildlife Refuge will be beneficial to the area. We urge that it be established as soon as possible.

Mr. CANNON. Your request of this committee, summarizing in one sentence, is what?

Mr. ROBINSON. The refuge money for the Corps of Engineers. I understand that the money will have to be appropriated at the same time it is appropriated for the Barkley Reservoir.

Mr. CANNON. It is not in the budget?

Mr. ROBINSON. It is in the budget.

Mr. CANNON. Your request then is for the full budget recommendation?

Mr. ROBINSON. Yes.

Mr. CANNON. Mr. Payne.

STATEMENT OF MR. REDMON PAYNE

Mr. PAYNE. I have a statement that I would like to submit for the record.

(The statement referred to follows:)

STATEMENT BY THE LEAGUE OF KENTUCKY SPORTSMEN, INC.

Mr. Chairman, members of the committee, my name is Redmon Payne. I am secretary-treasurer and spokesman for the League of Kentucky Sportsmen, Inc. I have been delegated to speak for this organization which is composed of 309 united clubs scattered throughout the State of Kentucky. We have an active membership of over 40,000 citizens. It is the function and duty of this League to assist the Kentucky Department of Fish and Wildlife Resources in its policymaking tasks and to act as watchdog over the fish and wildlife resources of the State. It is for the latter purpose I am appearing before you today.

We, in Kentucky, are proud of our fish and wildlife heritage. From early times it has been known as the happy hunting grounds. It abounded with deer, turkey, buffalo, wolf, bear, and a multitude of small game species. With settlement the picture changed and by 1880 the buffalo, wolf, and bear had completely disappeared, and only remnants of deer and turkey remained. By 1919, only a single flock of wild turkey remained. They existed on an isolated area between the Cumberland and Tennessee Rivers under the protection of the Hillman Land Co. In 1919, the company was dissolved and the area was declared a State game refuge. In 1938, the Kentucky Woodlands National Wildlife Refuge was established here by Presidential proclamation to protect this remnant flock of turkey and a few white-tailed deer and exotic fallow and red deer.

Under Federal protection the wildlife flourished in spite of considerable poaching. By 1943, the deer herd and turkey flock had recovered to a point where the State game and fish agency was permitted to trap and transplant these species on suitable habitat in other parts of the State. Kentucky woodlands deer formed the nucleus of herds that developed statewide and made

possible the bountiful open seasons enjoyed by Kentucky hunters during the past 5 years. The wild turkey, slow to be transplanted, have become established in eastern Kentucky and the fruits of this labor will be enjoyed this year when the first legal turkey hunt in 41 years will be held.

With establishment of the national refuge, an opportunity to attract waterfowl from the Mississippi flyway was possible. Although incidental at first, it soon became apparent that the tail was wagging the dog. The refuge was soon wintering 20,000 to 25,000 geese and 50,000 to 60,000 ducks, annually. This is the picture at the present time.

With construction of Barkley Lake, large acreages of the Cumberland River bottom land will be inundated. As a result the most valuable wildlife habitat on the refuge will be destroyed. Nearly all of the waterfowl development, so critical during this time of low waterfowl populations, will be lost. Prime habitat for deer and turkey will also be flooded.

Fish and Wildlife Service studies have shown that by acquisition of inholdings and some fringe lands, approximately 25 percent of the present waterfowl use can be retained in Kentucky and that the deer herd and turkey flock can be kept intact.

Future generations of Kentucky sportsmen are entitled to at least some of the benefits that this and past generations have enjoyed. To accomplish this, it is absolutely essential that provisions be made now to preserve portions of these resources. The woodlands has not only provided much in the past but stands to contribute significantly in the future. National population centers are only short distances away. With shorter working hours, better modes of transportation, increased interest in outdoor recreation, and natural history, areas like the Kentucky woodlands will be valuable beyond our fondest imagination. The perpetuation and further development of these values is worth every effort we can make.

The woodlands is not a restricted area; quite the contrary, surplus deer are hunted by bowhunters and raccoon, squirrel, and turkey are hunted. Water areas are open to fishermen. It is a popular place for university study groups, bird watchers, naturalists, and thousands of others who visit the area to explore seek out historical points of interest, and observe plant and animal life. After Barkley Lake is constructed visitation is expected to increase many times. Public-use benefits will be large and varied and economic benefits most significant. The time for action is now.

The league is in full agreement with the Fish and Wildlife Service for the need for replacement lands, as is the U.S. Corps of Engineers, Kentucky Department of Fish and Wildlife Resources, Kentucky Department of Conservation, Kentucky Archers Association, many smaller groups, and most of the local people. The values here cannot be sacrificed for the benefit of a select few, but must be perpetuated for the good of the communities, the counties, the States, and the Nation as a whole.

I appreciate the honor of appearing before you as representative of the League of Kentucky Sportsmen. The sportsmen and citizens of our State anxiously await your favorable decision. Thank you.

THE LEAGUE OF KENTUCKY SPORTSMEN, INC.,
By REDMON PAYNE, *Secretary-Treasurer.*

RESOLUTION ON BARKLEY LAKE AND DAM PROJECT

Adopted at the 23d annual convention of the League of Kentucky Sportsmen, Inc., held at Ashland, Ky., on June 16, 1958

Whereas the Corps of Engineers has been authorized by the River and Harbor Act of 1954 to construct the Barkley Lake and Dam project on the Cumberland River in Kentucky and Tennessee, and is now undertaking that construction; and

Whereas Barkley Lake will inundate an important segment of the Kentucky Woodlands National Wildlife Reuge; and

Whereas the said River and Harbor Act of 1954 provides that the authorization of this project shall include the acquisition of lands necessary for wildlife purposes; and

Whereas the U.S. Fish and Wildlife Service has responded to the desires of the local people by substantially reducing in scale its original paln for replace-

ment of refuge lands to be flooded and has now drawn up a plan which will have a minimum impact locally and which, moreover, will contribute materially to the recreational assets of western Kentucky; and

Whereas the U.S. Fish and Wildlife Service and the Corps of Engineers have agreed on a joint policy for acquisition of lands at the project which is compatible with local needs: Now, therefore, be it

Resolved by the League of Kentucky Sportsmen, Inc., at its 23d annual convention in Ashland, Ky., on June 16, 1958, That:

1. The League of Kentucky Sportsmen is in agreement with the plan of December 16, 1957, prepared by the U.S. Fish and Wildlife Service for replacement of wildlife habitat at the Barkley Lake and Dam project, and we urge the timely execution of that plan; and

2. The league is in agreement with the joint statement issued by the U.S. Fish and Wildlife Service and the Corps of Engineers clarifying policies for acquisition of lands at the project, including these in Tennessee needed for waterfowl conservation; and

3. The league commends the U.S. Fish and Wildlife Service for its cooperative attitude in drawing up a plan which gives full recognition to local needs; and

4. The league commends the Corps of Engineers and the U.S. Fish and Wildlife Service for setting up a unified policy and program for land acquisition at the Barkley Lake project; and

5. Copies of this resolution be sent to the following: Senator John Sherman Cooper, Washington, D.C.; Senator Thurston B. Morton, Washington, D.C.; Congressman Noble J. Gregory, Washington, D.C.; Chief of Engineers, Corps of Engineers, Washington, D.C.; Col. Eugene Stann, Corps of Engineers, Nashville, Tenn.; Commissioner, U.S. Fish and Wildlife Service, Washington, D.C.; and Mr. Walter Gresh, U.S. Fish and Wildlife Service, Atlanta, Ga.

WEDNESDAY, APRIL 13, 1960.

PORT OF NEW YORK-NEW JERSEY CHANNEL IMPROVEMENT

WITNESS

R. P. HOLUBOWICZ, MARINE PLANNING ANALYST, PORT OF NEW YORK AUTHORITY

Mr. CANNON. We will hear from Mr. Gilman of the New York Port Authority.

Mr. HOLUBOWICZ. Mr. Gilman could not be here today and he asked me to appear. I appear for Mr. Gilman. I have a prepared statement that I would like to read to the committee.

My name is R. P. Holubowicz. I am marine planning analyst in the port development department at the Port of New York Authority, 111 Eighth Avenue, New York City.

The Port of New York Authority is a public agency of the States of New Jersey and New York, created by port treaty in 1921 for the development and operation of transportation and terminal facilities within the New Jersey-New York Port District and for the promotion and protection of commerce moving through the port of New York. The port district comprises the portions of northern New Jersey and New York State within a radius of about 25 miles of the Statue of Liberty. Among the specific tasks assigned to the port authority by the two States is the responsibility of presenting justification for and requesting the Congress of the United States to make the necessary appropriations for improving the port's channels.

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GOAL OF RECOMMENDATIONS FOR 1960–61 CHANNEL PROGRAM IN NEW YORK HARBOR

The total funds being recommended for the New York-New Jersey port amount to $5,700,000. While this amount is greater than the $1,422,400 recommended in the executive budget, it is nevertheless 23 percent less than was actually appropriated by Congress last year for channel improvements in New York Harbor.

With the large demand for Federal channel improvement funds in all ports and waterways of the United States only a minimum of funds has been allocated to New York Harbor for the past 6 years, and these limited funds have been only for the two major channel projects that required action. Last year's appropriations made possible the completion of these two projects, and the port authority now considers the time opportune to begin activating projects which are urgently needed for the handling of millions of tons of waterborne commerce each year but have been allowed to lie dormant, some for periods as long as 15 years, for lack of Federal funds. The $5,700,000 we are recommending this year will permit the completion of work on two such projects, the south channel entrance into New York Harbor and the 15-foot-deep channel in Jamaica Bay. The recommended funds will also permit completion of five important navigation review studies. These were originally estimated as 2-year studies, but under the executive budget recommendations these would be stretched out over an additional year. The Port of New York Authority considers such a stretchout unnecessary and merely a delay in the authorization of necessary improvements.

The port of New York's channels must be improved and maintained to meet commercial requirements. The $1,422,400 recommended in the executive budget will not do this job. The $5,700,000 we are recommending for the forthcoming fiscal year is, in our opinion, the bare minimum necessary to permit New York Harbor to keep pace with the technological and economic changes taking place in the port's commerce and traffic.

The breakdown of the $5,700,000 recommendation being made by The Port of New York Authority is as follows:

Summary of appropriations required for Federal channel projects in the New York-New Jersey Harbor for fiscal year 1960–61

Project	Total funds required to complete	Budget recommendation for 1960–61 fiscal year	Appropriations recommended for fiscal year 1960–61 by local interests
New construction: South channel (New York Harbor entrance)	$1,900,000		$1,900,000
Resumption of construction: Jamaica Bay	1,246,500		1,246,500
Continuation of construction:			
New Jersey pierhead line channel	886,000	$886,000	886,000
New York State Barge Canal (Great Lakes to Hudson River Waterway)	13,977,500	400,000	1,500,000
Continuation of review studies:			
Passaic River-Newark Bay	36,000	15,000	36,000
Buttermilk Channel junction	9,200	9,200	9,200
New York Harbor deep water anchorage	21,000	10,000	21,000
Little Neck Bay	4,200	4,200	4,200
Hudson River siltation	90,000	90,000	90,000
New York State Barge Canal	(1)	8,000	30,000

[1] Undetermined.

NEW CONSTRUCTION

SOUTH CHANNEL—NEW YORK HARBOR ENTRANCE CHANNELS

The Port of New York Authority urges the appropriation of $1,900,000 to initiate and complete the work of providing the new South Channel in the forthcoming fiscal year.

The South Channel project was authorized by Congress in 1958 as a means of eliminating a hazardous intersection of marine traffic at the entrance of New York Harbor. Traffic bound for terminals along the New York and New Jersey channels project now enters New York Harbor via the Bayside-Gedney Channel. This channel is crossed at right angles by the Swash-South Channel, a shallow-draft barge channel that is used by dump scows taking refuse out to sea for disposal. Groundings and near-collisions occur as a daily matter at the point of this intersection.

The new South Channel would eliminate the intersection completely by a realignment of the entrance to the Raritan Bay to the westward, thus separating completely the movement of deepdraft vessels approaching from sea and seaward bound dump scows.

No funds have been allocated for this work in the executive budget for fiscal year 1960–61, but port interests consider prompt initiation of this project to be a vital necessity to the safety of navigation in New York Harbor. We urge this committee to recommend the allocation of funds to carry out this improvement in the forthcoming fiscal year.

RESUMPTION OF CONSTRUCTION

JAMAICA BAY

The Port of New York Authority recommends the allocation of $1,246,500 for the resumption of work on the deepening of the Jamaica Bay Channel to the authorized depth of 15 feet.

The Jamaica Bay project is approximately 87 percent completed. The work remaining to be done consists of dredging shoal areas in the southerly interior channel and the channel in Mott Basin. To date, approximately 4.5 million has been spent by the Federal Government on the improvement of Jamaica Bay Channel. Unfortunately it has not been possible to realize the full economic benefits of the Federal money expended on this project because of a depth limitation of 11 feet in the uncompleted portion of the project.

Despite the limitations of the uncompleted project in Jamaica Bay, commerce has grown from 1,617,000 short tons in 1946, the first year after the project was authorized, to 5,043,000 short tons in 1958, a three-fold increase in 13 years.

Upon completion of the Jamaica Bay project, it will be possible for vessels presently using this channel to increase their loadings by as much as 40 percent and thus begin to return the economic benefits originally ascribed to this improvement at the time of its authorization in 1945.

CONTINUATION OF CONSTRUCTION

NEW JERSEY PIERHEAD LINE CHANNEL

The Port of New York Authority supports the budget recommendation of $886,000 for continuation of work on this project.

Work on the New Jersey Pierhead Line Channel was resumed with funds provided by the last session of Congress and this work is now underway. The funds recommended for the forthcoming fiscal year will permit completion of work on this project.

The New Jersey Pierhead Line Channel is a shallow-draft channel in upper New York Bay that is designed to remove harbor craft from the main ship channel. The volume of ship traffic in New York Harbor makes this essential since normal congestion in the main channel, which would normally be reserved for the port's giant super liners and large cargo-carrying vessels, is aggravated by small harbor craft darting about and creating unnecessary hazards to navigation.

After the New Jersey Pierhead Line Channel was completed in 1939, it was found that it could not be used by flotilla tows because of restricted entrance and exit bends. As a result, flotilla tows, which consist of towboats with two or more barges in tow, continue to use the main ship channel because of their inability to negotiate the bends into the shallow-draft channel. This continued use of the main ship channel constitutes a hazard to navigation in upper New York Bay.

NEW YORK STATE BARGE CANAL (GREAT LAKES TO HUDSON RIVER WATERWAY)

The Port of New York Authority recommends an increase in the allocation of funds for the New York State Barge Canal from the $400,000 contained in the executive budget to $1,500,000.

The $1,500,000 being recommended for the Great Lakes to Hudson River Waterway project will make it possible, after 25 years of snail's-pace progress, to complete the deepening of the Federal project on the New York State Barge Canal from 12 to 13 feet. Work on the deepening and lock sill project is approximately 95 percent completed, while work on the overhead clearance project is approximately 70 precent completed.

The funds recommended will permit the completion of work on lowering the last few lock sills and the completion of work on the replacement of four guard gates.

With the deepening from 12 to 13 feet completed, commerce will finally be able to take advantage of the extra foot of draft and thereby increase the carrying capacity of existing vessels by 10 to 15 percent with resultant economic benefits.

The cost of lowering the lock sills is shared between New York State and the Federal Government, with New York State paying for approximately 90 percent of the total cost.

CONTINUATION OF WORK ON AUTHORIZED REVIEW STUDIES

Recognizing the need to keep pace with the changing technology in commercial requirements in New Jersey-New York Port, Congress last year allocated funds to initiate various review studies of navigation projects in the port. The Port of New York Authority recommends the allocation of sufficient funds in the forthcoming fiscal year to complete five studies that were initiated last year. All of these studies were originally estimated to be 2-year projects and we feel that any delay in the completion of these studies by an appropriation of less than that needed would only hamper the program for orderly channel development in future years.

In addition, the review study of the New York State Barge Canal has been expanded in scope since its initial authorization last year and therefore requires additional funds to permit the study to be carried out in its presently authorized form.

Following, is the list of navigation study projects and recommended allocations for the forthcoming fiscal year:

Project	Estimated total cost to complete after fiscal year 1959–60	Appropriations recommended for fiscal year 1960–61
Passaic River-Newark Bay	$36,000	$36,000
Buttermilk Channel junction	9,200	9,200
New York Harbor deep-water anchorage	21,000	21,000
Hudson River siltation	93,000	93,000
Little Neck Bay	4,200	4,200
New York State Barge Canal	(1)	30,000

[1] Undetermined.

PROJECT PRIORITY

The program for Federal channel improvments that I have presented here today was developed only after careful and detailed examination of the port's requirements by the Port of New York Authority and in consultation with the principal maritime groups, civic agencies, and local grovernment bodies in the New York-New Jersey Port area.

Thank you, Mr. Chairman, for the courtesy of permitting me to present the views and recommendations of the Port of New York Authority regarding appropriations for channel improvements in the New York-New Jersey Port.

Mr. RABAUT. When you revise your remarks put your projects in in the order of their priority.

Mr. HOLUBOWICZ. They are, as they are listed.

Mr. RABAUT. They are listed in their priority?

Mr. HOLUBOWICZ. Yes. The ones that we concur with that the executive budget recommends are the ones we feel we do not need to put in priority.

Mr. RABAUT. They are going to be first?

Mr. HOLUBOWICZ. Yes. The ones that are out of the budget, but which we feel are necessary, are in the order of priority as we have listed them.

I thank you for your courtesy.

STATEMENT OF MR. J. FRANK BELFORD

I also have a statement here from Mr. Frank Belford, vice president of the New York State Waterways Association that I would like to have put in the record. He was scheduled to appear here this afternoon at 3:55. Unfortunately he was called back to New York and he asked me to submit this statement for the record.

Mr. RABAUT. And that was the statement that he was going to make this afternoon?

Mr. HOLUBOWICZ. Yes.

Mr. RABAUT. Without objection we will place it in the record at this point.

(The statement referred to follows:)

STATEMENT OF J. FRANK BELFORD, JR., VICE PRESIDENT, NEW YORK STATE WATERWAYS ASSOCIATION, INC.

My name is J. Frank Belford, Jr., I appear on behalf of the New York State Waterways Association, Inc., of which I am vice president. The New York State Waterways Association, Inc., founded in 1908, is a voluntary, nonprofit corporate entity with headquarters at 17 Battery Place, New York City. Its stated purpose is to foster, protect, and develop the rivers, harbors, canals, and other State waterways for purposes of navigation, commerce and industry, conservation, flood control, recreation, irrigation, hydroelectric power, and related functions. Our membership is drawn from all sections of New York State and consists of shippers, carriers, civic groups, trade associations, port authorities and commissions, municipalities, and public-spirited individuals dedicated to the stated purposes of the association.

Aside from association activities, which I engage in without compensation or emolument as a voluntary contribution to the welfare of the industry and in the public interest, I am executive vice president of the Seaboard Shipping Corp., engaged in the transportation of liquid bulk commodities, such as petroleum products, chemicals, etc., on all of the waterways of New York State and am intimately familiar with navigational and operational conditions on these waters, with particular reference to the New York State barge canal system.

It is to this subject that I would like to address myself today.

Since 1935, there has been in existence a Federal modernization project for the New York State barge canal system known as the Great Lakes to Hudson River Waterway, authorized by the Congress, and on which so far upwards of $23 million of Federal funds have been expended.

This project involves the Oswego Canal and that part of the Erie division of the canal running eastward from Three Rivers, N.Y., to the Hudson River at Waterford, N.Y.

The authorized scope of the project is basically to lower the sills of the locks and guard gates to provide a depth of water of 13 feet, to dredge the channels to provide a depth of 14 feet and a widening to 200 feet in river sections and 104 feet in land-cut sections, and to raise all overhead clearances to provide 20 feet vertical clearance above maximum navigable pool level.

The widening and deepening of the channels in the river and land-cut sections is virtually completed. There remains five locks on which the sills have yet to be dropped, two guard gates in the same category, and a culvert which must be lowered in order to provide the project depth of 13 feet for the entire stretch from Oswego to Waterford.

It is absolutely necessary that this work must be totally accomplished before there can be any economic return whatsoever on the more than $23 million of federally expended funds because the locks and guard gates which still remain to be reconstructed act as tragically effective bottlenecks which prevent vessel owners from taking any advantage whatsoever of the additional depth of water over the sills in the intermediate locks which have been improved.

With this phase of the project 95 percent complete, except as noted above, it seems self-evident that a speedy completion of the comparatively small amount of work remaining to be done should be carried through to completion at the earliest possible date so that the hitherto nonexistent economic benefits may be realized by the carriers, passed on by them to the shippers, and thence to the ultimate consumer.

To this end, the New York State Waterways Association strongly urges that $1,500,000, the Federal Government's portion of the total sum necessary to complete the lock and guard gate sill dropping project, be appropriated for expenditure during the forthcoming fiscal year.

The second phase of the project, the raising of the overhead clearances to a minimum of 20 feet above maximum navigable pool level, is much further away from completion than the dropping of the lock and guard gate sills. We urge that funds also be made available as expeditiously as possible to carry through to completion this work, which also is necessary if the full economic benefits envisioned by the project are to be realized.

Just as the dropping of the lock and guard gate sills to 13 feet below the water level will, when fully carried out for the entire length of this project, permit the

savings resulting from the 15 percent increased carrying capacity of the vessels to be passed on to the ultimate consumer, so also will the increased efficiency resulting from the raising of the overhead clearances to 20 feet bring about reduced costs of vessel operation, which will permit lower freight rates on commodities generally transported on the canal system.

There are 17 bridges between Oswego and Waterford still to be raised under this phase of the project, but 2 of these bridges can be replaced by 1 new structure and, in addition, 2 other bridges have been abandoned and will only have to be removed, but not replaced, therefore, it can be seen that 14 bridges would remain to be actually raised and we urge that this phase of the project be carried forward with all deliberate speed.

In conclusion, may I say that our association supports and endorses in every respect the statement of position made before your honorable committee during the course of these hearings by the Port of New York Authority. From a navigational standpoint, being basically an association representing the interest of the shipper, carriers, and general public as related to the shallow-draught trade, we particularly support the position of the port authority in respect to the early completion of the Jamaica Bay project, but also feel that each and every facet of the port authority's 1960–61 channel improvement program as presented to your committee is in the public interest and worthy of support.

WEDNESDAY, APRIL 13, 1960.

DELAWARE RIVER PROJECTS

WITNESS

HARRY J. FISHER, CONSULTANT, JOINT EXECUTIVE COMMITTEE FOR THE IMPROVEMENT AND DEVELOPMENT OF THE PHILADELPHIA PORT AREA

Mr. RABAUT. We will now hear from you, Mr. Fisher.

Mr. FISHER. My name is Harry J. Fisher and I am representing our chairman, Mr. Harry G. Schad, chairman of the joint executive committee. He is ill today and cannot attend as he usually likes to do.

In order to conserve your time I should like to file two statements endorsing the sums of money which have been included in the recommended budget for the fiscal year 1961; first, the navigation project in the Delaware River from Philadelphia to Trenton, and, second, the funds for general operation and maintenance of existing navigation projects nationwide.

Mr. RABAUT. Without objection they will be placed into the record at this point.

(The statements referred to follow:)

STATEMENT OF HARRY G. SCHAD, CHAIRMAN, JOINT EXECUTIVE COMMITTEE FOR THE IMPROVEMENT AND DEVELOPMENT OF THE PHILADELPHIA PORT AREA

In support of a civil functions appropriation of $11,700,000 to be expended during fiscal year 1961 (July 1, 1960, to June 30, 1961), by the Corps of Engineers for continuing the construction of the authorized navigation project in the Delaware River from Philadelphia, Pa., to Trenton, N.J.

The $11.7 million recommended by the Bureau of the Budget is considered by the Corps of Engineers to be a reasonable sum for the work programed during fiscal year 1961 under the revised estimate of total cost, now $80 million, down $30.8 million from earlier estimate which ranged as high as $110.8 million. Together with the $38 million of estimated expenditures through fiscal year 1960, the $11.7 million for fiscal year 1961 will permit a 62 percent completion of the full project—with approximately $30 million remaining to be appropriated beyond fiscal year 1961.

As a point of information, we should like to record the rapid development of commerce and industry, as reflected in the official figures released by the Corps of Engineers. During the year 1952, waterborne commerce between Philadelphia and Trenton was 6,949,933 tons. The latest figures available are for the year 1958, and these figures show an 84 percent increase of 5,858,292 tons, to a new total of 12,808,225 tons. This rate of growth exceeds the national average and, in essence, is a guarantee to the Federal Government that the waterway facilities are being used and will continue to be used to an extent which will assure the estimated 2.1 to 1 benefit-cost ratio.

The Joint Executive Committee for the Improvement and Development of the Philadelphia Port Area supports the recommended sum of $11.7 million as being practical, economical, and sufficient to maintain steady progress, and we urge congressional approval of this sum of money for this worthy project.

Parenthetically, we should like to draw attention to our separate statement which requests a modest appropriation to start the authorized anchorage facilities in the Delaware River, Philadelphia to the sea. In order to coordinate the construction timetable of the Philadelphia to Trenton channel project with that of the anchorage project—and allow simultaneous completion—a start should be made in fiscal year 1961 on the anchorage facilities. As the Corps of Engineers has so aptly stated, anchorages are a necessary adjunct of the channel on an integrated waterway, such as the Delaware River. It appears logical that a portion of the $30.8 million saving in the upper Delaware River channel project should be funneled to the lower Delaware River anchorage project. This saving, in fact, will cover the entire cost of the anchorages.

STATEMENT OF HARRY G. SCHAD, CHAIRMAN, JOINT EXECUTIVE COMMITTEE FOR THE IMPROVEMENT AND DEVELOPMENT OF THE PHILADELPHIA PORT AREA

In support of the civil functions appropriation recommended by the Bureau of the Budget to be expended during fiscal year 1961 (July 1, 1960 to June 30, 1961), by the Corps of Engineers for the general operation and maintenance of existing navigation projects—channels, harbors, locks, dams, and canals

The budget recommendations for funds for the operation and maintenance of navigation projects are not broken down by district or by project. These funds always have been shown in total for all projects across the Nation. The fiscal year 1961 recommendation shows $59,400,000 for channels and harbors and $25,470,000 for locks, dams, and canals. The joint executive committee is confident the corps will be able to meet our local operation and maintenance requirements out of these recommended sums, and we urge congressional approval.

In view of the magnitude of the operation and maintenance task involving navigation projects, in view of the large volumes of waterborne commerce which are dependent upon adequate maintenance for safe, expeditious, and economic movement, and in view of the great value of this commerce to the general economy, to international relations, and to the defense of this Nation, this expenditure is deemed to be in the best interest of the public.

Mr. FISHER. Again, in order to conserve your time, I would like to file our complete statement in which we request an initial appropriation from the congressionally authorized anchorage improvements in the Delaware River from Philadelphia to the sea.

Mr. RABAUT. Without objection, it will be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF HARRY G. SCHAD, CHAIRMAN, JOINT EXECUTIVE COMMITTEE FOR THE IMPROVEMENT AND DEVELOPMENT OF THE PHILADELPHIA PORT AREA

To request a civil functions appropriation to be expended during fiscal year 1961 (July 1, 1960 to June 30, 1961), by the Corps of Engineers for initiating work on the authorized anchorage improvements in the Delaware River, Philadelphia to the sea

This statement has been prepared in order to request an initial appropriation during fiscal year 1961 so as to provide a start on the congressionally authorized improved anchorage facilities at Reedy Point, Deepwater Point, Marcus Hook,

and Mantua Creek in the Delaware River, Pa., N.J., and Del., from Philadelphia to the sea. The Corps of Engineers has recommended that each anchorage be 40 feet deep and 2,300 feet wide, with respective lengths of 8,000, 5,200, 13,650, and 11,500 feet. The contemplated improvement has had the necessary endorsements of all Federal and State agencies, including the U.S. Bureau of the Budget; the authorizing legislation was passed July 3, 1958. In the project document (H. Doc. No. 185, 85th Cong., 1st sess.) the estimated annual benefits (based on avoidance of delays, groundings, and collisions) are $1,498,000, and the estimated annual charges (including maintenance) are found to be $1,449,000—yielding a benefit cost ratio of 1.03 to 1. The total first cost of the project is estimated to be $24,447,000; construction time is estimated to be 4½ years.

The district engineer's report (dated June 17, 1955), the basic document in the authorization procedure, recommends "* * * the initial allotment of funds for the work should be $3 million, to be used for the preparation of plans and specifications and for the initiation of construction using two dredges. Funds for the remaining 3½ years of construction should be made available in three allotments of $6 million each, and a final allotment of $3,447,000." The present district engineer, under date of December 11, 1959, has stated that "from the strictly engineering viewpoint, considering each project by itself without reference to our overall program, our overall capability, or fiscal considerations, an amount of $300,000 could be utilized * * *" for these anchorages.

The Joint Executive Committee does not question the qualified merits of either the $3 million first-year allotment or the $300,000 first-year allotment. Our only objective is to obtain, through the understanding and affirmative actions of our congressional Appropriations Committees, a modest first-year appropriation in order to initiate construction of this highly essential safety-to-navigation project. Accordingly, we request an appropriation of at least $300,000 or, preferably, a greater sum up to a maximum of $3 million. We recognize the ability and discretion of the Appropriations Committees in determining an adequate sum.

The Joint Executive Committee is the port affairs spokesman for the 20 civic and trade organizations listed on this letterhead. Its representation covers a broad segment of the three-State Delaware River Port area. The committee began functioning in 1888, and during the succeeding 72 years it has promoted every major improvement of the Delaware River including channels, turning basins, and anchorages.

The Delaware River Port area is the second port in the Nation in terms of total waterborne commerce. It is the first port in the Nation in terms of import tonnage. The navigable Delaware River stretches some 135 miles from Trenton, N.J., to the sea, along which are located 266 wharves. Of these, 8 are owned by the United States, 5 by the States of Pennsylvania and New Jersey, 28 by municipalities, 78 by railroad companies, and 147 by private interests. All of the port's facilities are linked with industrial centers of the United States by three major railroads, leading airlines, and numerous trucklines. Major steamship lines provide regular sailings to 250 ports in 75 foreign countries. Industry has provided a wide variety of specialized and standard handling and warehousing facilities for the efficient processing of waterborne cargo.

In the Delaware River Port, according to official records of the Army Engineers, there are more than 600 passages each day of all types of watercraft (foreign, coastwise, and internal), carrying an average daily total of one-quarter million tons of cargo. Much of this cargo is destined to or from the some 8,000 manufacturing establishments located within the Delaware Valley and representing 87 percent of all types of U.S. industry. During the decade 1949-59, total waterborne commerce has increased by 75 percent, to reach a 1959 total of approximately 100 million tons. This rate of growth far exceeds the national average. In view of the number of vessels and the type of vessels which are carrying this commerce, and for the safety of lives and shipping, a vital need exists for up-to-date, adequate anchorage facilities in the Delaware River between Philadelphia and the sea. At present, there are no anchorages below Philadelphia that are wide enough to accommodate vessels more than 550 feet long without danger of such a vessel swinging into the channel at the change of tide. The modification of anchorage facilities which has been recommended by the Corps of Engineers has been planned in order to accommodate the large deep-draft vessels presently using the waterway and the larger vessels in prospect. The anchorages as recommended will be suitable for vessels up to 800 feet in length and will be adequate for the reasonably prospective traffic in the Delaware River.

In this connection, the district engineer's report says:

"It is expected that the established trend toward increased vessel traffic on Delaware River, particularly with respect to deep-draft vessels, i.e., vessels having drafts of 32 feet or more, will continue. Recent additions to port facilities, provision of the deep-draft channel from Philadelphia to Trenton, and the current industrial expansion of the area are all factors which will tend to increase Delaware River traffic. The increase in the average annual traffic of deep-draft vessels which can reasonably be expected during the economic life of the project is approximately 1,430 trips, consisting mostly of super tankers and super ore carriers, with lengths from 600 to 800 feet * * *. Shipowners and operators report that the large increase in deep-draft-vessel traffic on Delaware River has resulted in serious congestion in the existing anchorage areas."

The Joint Executive Committee has referred to the record in order to lend confirmation to the statements in the preceding paragraph. The statistics available when the engineer's report was written were for the year 1953. The latest statistic's now available are for the year 1958. The table below shows that between 1953 and 1958 waterborne commerce (cargo) increased by 35 percent. Of special significance is the fact that ship passage in total increased by only 2½ percent; passages of ships with drafts of 20 to 31 feet increased by 18 percent; and passages of ships with drafts of 32 feet and over increased by 100 percent.

	1953	1958	1958 increase
Tons of cargo	74,017,739	99,844,047	+25,826,308(+35%).
Ship passages:			
Total	217,738	223,271	+5,533(+2½%).
20 to 31 feet draft	7,259	8,552	+1,293(+18%).
32 feet and over draft	789	1,587	+798(+100%).

These comparisons illustrate effectively the sharp increasing need for adequate anchorage areas to accommodate the larger, deep-draft ships which carry a major portion of the commerce of the Delaware River. They will continue to come into the Delaware River in ever-increasing numbers and to a far greater extent than to any other U.S. port.

An anchorage is a parking area for ships. Unless the anchorages are sufficient in number, properly spaced, and adequately maintained, vessels in distress, weatherbound, awaiting tide, awaiting berth, or under quarantine inspection must of necessity anchor in the channel. The minimum anchorage dimensions are determined by the number of ships to be anchored, the length and draft of these ships, the length of the anchor cable, the swing of the ships through a 360° circle, and a margin of safety to provide for anchor drag and for safe clearance between adjacent ships while at anchor. These anchorage areas must be completely clear of the main ship channel to avoid the danger of collision.

The district engineer, in his report states:

"The contemplated anchorage depths of 40 feet and widths of 2,300 feet are the minimum which will provide adequate anchorage facilities for the large vessels which comprise a substantial portion of the existing and prospective Delaware River traffic. This traffic includes vessels up to 800 feet long, having drafts up to 38 feet. A ship of this size would normally have approximately 350 feet of chain under water while at anchor in 40 feet of water. Thus, while swinging to the tide, the stern of an anchored vessel 800 feet long would described an arc with a radius of 1,150 feet. An anchorage 2,300 feet wide would be required to permit the vessel to complete a full swing without blocking the channel. In determining depths for anchorages, which must necessarily be used at all stages of the tide, consideration must be given to allowances for extremely low tides, clearance for protruding portions of anchors lying on the bottom, and clearance under the keel for maneuverability. In view of the increasing amount of Delaware River traffic with drafts up to 38 feet it is considered that an anchorage depth of 40 feet is the minimum which should be provided.

"The contemplated improvements will provide a series of four improved anchorages, spaced at a distance of 9 to 16 miles apart, in the 55-mile reach of Delaware River from Bombay Hook Point to the mouth of the Schuylkill River. Thus, vessels encountering reduced visibility while transiting the river in either direction will not be faced with the problem of either anchoring in the channel or proceeding at the risk of running aground or colliding with another vessel."

The Reedy Point anchorage (8,000 feet in length) will be located near the east end of the Chesapeake and Delaware Canal, 16 miles from the large natural anchorage at Bombay Hook Point, and 13 miles from the contemplated anchorage at Deepwater Point. When improved as contemplated, the anchorage will safely accommodate, at one time, three vessels with lengths of 600 to 800 feet.

Deepwater Point anchorage (5,200 feet in length), located adjacent to the mouth of the Christina River, will provide the only anchorage in the Wilmington, Del., area capable of accommodating deep-draft vessels. The distance between Reedy Point anchorage and Marcus Hook anchorage is approximately 22 miles. Establishment of Deepwater Point anchorage will divide this distance into two segments and will provide an emergency anchorage area 13 miles from Reedy Point and 9 miles from Marcus Hook. The anchorage is designed to accommodate two vessels with lengths of 600 to 800 feet.

Marcus Hook anchorage (13,650 feet in length) is used as a general purpose anchorage and, also, as a quarantine anchorage for vessels awaiting clearance by the U.S. Public Health Service. Its present area and depth are inadequate for this dual purpose. When improved as contemplated, the anchorage will be capable of accommodating six vessels 600 to 800 feet long.

Mantua Creek anchorage (11,500 feet in length), because of its location in lower Philadelphia Harbor, is commonly used by ships awaiting berths or cargo in the harbor. Also, since it is located near the mouth of the Schuylkill River, it provides a suitable anchorage area for ships destined for Schuylkill River berths, but having to await high tide before proceeding. The anchorage, when improved as contemplated will have a capacity of five vessels with lengths of 600 to 800 feet.

The Acting Chief of Engineers, Maj. Gen. Charles G. Holle, in transmitting his report to the Secretary of the Army on this improvement, had this to say:

"Although the district engineer has presented an estimate of the monetary benefits, based on delays, groundings, and collisions, in justification of the enlarged and additional anchorages, the proposal is principally warranted for the safety and convenience of navigation by the intangible benefits accruing to the project due to the elimination of hazards to life and property in the Delaware River. The anchorages are an integral part of the Delaware River waterways and are necessary to their contained safe use. Accordingly, after due consideration of the accompanying reports and of the above, I concur in the views and recommendations of the Board."

This request of the Joint Executive Committee for this initial appropriation comes nearly 9 years after an urgent resolution was adopted by the Committee on Public Works, U.S. House of Representatives, on September 27, 1951, requesting a review of reports on the Delaware River between Philadelphia and the sea, submitted in House Document 340, 77th Congress, 1st session, and previous reports with a view to determining whether any modifications of the anchorage facilities were advisable at that time.

The need for improved anchorage facilities existed in 1951. During this intervening period of time, waterborne commerce in the Delaware River has shown a steady rate of increase, the need for channel and anchorage improvement has become extremely acute—immediate action is a necessity for the protection of life and property. During the 9-year period from January 1, 1951, to December 31, 1959, Coast Guard records show there have been numerous collisions and groundings, resulting in the loss of 37 lives and property damage of nearly $20 million. It is not possible to apportion the incidence between the inadequacy of the waterway and other causes. It is the opinion of navigation interests, however, from a study of the records, that an improved waterway—including new and improved anchorages—would have eliminated much of this loss. Adequate anchorages, combined with sufficient channel dimensions, comprise an integrated waterway facility which will minimize shipping hazards and eliminate many costly delays—with a resultant incentive for shippers and shipowners to use the waterway.

Port interests are taking appropriate independent steps to enhance the safety of the port of Philadelphia. At the present time, the Joint Executive Committee has under development a program for the use and evaluation of single-channel, short-range radiotelephones for navigational safety. This industry-sponsored program is in response to a recommendation made by the House Merchant Marine and Fisheries Committee, following the *Stockholm-Andrea Doria* collision. This is an example of industry-Government cooperation in taking effective steps to increase maritime safety, but for full effectiveness all facets of maritime

safety endeavors must be adequately developed, including the provision of the necessary ship anchorage facilities by the Federal Government.

At this point, we should like to insert a very important development in the record. Since the start of construction on the deep-draft channel from Philadelphia to Trenton, there has been a considerable amount of dredging equipment brought into the Delaware River from other areas. This has resulted in a broad competitive bidding situation which has been very favorable to the overall cost of the project as well as to physical progress. Earlier estimates of cost ranged as high as $110.8 million; the estimated cost has now been revised downward to $80 million—a full 27 percent saving for the Federal Government. With this dredging equipment already in the Delaware River, it is quite possible that the anchorage construction, too, could benefit, in a like degree, from this broad competitive bidding. It appears opportune, therefore, to initiate construction at the earliest possible moment in order to realize the possibly lower construction costs growing out of this fortunate competitive situation. Thus, early construction is not only necessary for the safety and convenience of navigation, it is entirely proper in the interest of economy of construction, also. And, of course, lower construction costs will increase the benefit-cost ratio.

In view of the reasons brought forth in the several reports of the Corps of Engineers and the facts recited in this statement, the Joint Executive Committee for the Improvement and Development of the Philadelphia Port area requests and recommends a congressional appropriation for fiscal year 1961 to initiate construction of the congressionally authorized safety-to-navigation anchorage project in the Delaware River (Pennsylvania, New Jersey, and Delaware) from Philadelphia, Pa., to the sea, which provides for anchorages at Reedy Point, Deepwater Point, Marcus Hook, and Mantua Creek, each 40 feet deep and 2,300 feet wide, with respective lengths of 8,000, 5,200, 13,650, and 11,500 feet.

Mr. FISHER. However, since the Bureau of the Budget again has not included funds for the start of these improvements, I should like to brief the committee on the high spots contained within our statement. At the present time, there are no anchorages between Philadelphia and the sea which are wide enough to accommodate vessels with length greater than 550 feet.

The engineers' report, now almost 5 years old, points out the established trend toward deep-draft traffic in the Delaware River—vessels with drafts of 32 feet and over, and lengths of 600 to 800 feet (pp. 3–4). Traffic statistics lend considerable credence to the engineers report. In the year 1949, there were 106 passages of vessels in this class; in the year 1953, there were 789; in 1956, there were 1,189; and in the year 1958 (the latest statistics available) there were 1,587. I should like to call your attention to the table on page 4 which shows that between 1953 and 1958 big-ship traffic has increased by 100 percent, whereas total traffic has increased by only 2½ percent—this comparison emphasizing the dramatic trend toward big-ship traffic which requires enlarged anchorage areas.

If you will refer to the map on the last page of our statement, you will notice that the contemplated improvements provide a series of four improved anchorages, spaced at a distance of 9 to 16 miles apart, within the 55-mile reach of the Delaware River from Bombay Hook Point, at the lower end, to Philadelphia. While the anchorages are supported by detailed estimates of monetary benefits, based on delays, groundings, and collisions, the proposal is principally warranted for the safety and convenience of navigation by the intangible benefits accruing to the project due to the elimination of hazards to life and property in the Delaware River. During the 9-year period, January 1, 1951, to December 31, 1959, Coast Guard records show numerous

collisions and groundings resulting in the loss of 37 lives and property damage of nearly $20 million. Navigation interests believe that new and improved anchorage areas might have avoided a substantial portion of this loss and would go a long way toward eliminating future tragedies attributable to the inadequacies of anchorage areas. As evidence of our concern and desire to improve navigational safety, I should like to point out that the joint executive committee has under development a program for the use and evaluation of single-channel, short-range radiotelephones for bridge-to-bridge use within the Delaware River and Bay area. This industry-sponsored program is expected to be a substantial contribution to maritime safety within our own area and also as it spreads to other parts of the world (p. 8).

In closing, may I point out the channel project between Philadelphia and Trenton is now estimated to cost some $30 million less than had been estimated at one time. A major portion of this saving is the result of the broad competitive bidding situation which has come about by reason of the considerable amount of dredging equipment which has been brought into the Delaware River from other areas. We believe that, with this dredging equipment already in the river, the anchorage construction could also benefit in a like degree from this competitive bidding situation. Actually, the $30 million saving in the upper river more than covers the cost of the anchorage improvements. We sincerely hope that the appropriations committee will provide a modest sum of money in order that this safety to navigation project can be initiated promptly.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. FISHER. And, finally, I should like to file, for the record, a request, in which we are joined by the Maryland Port Authority, for additional funds to be expended on the navigation project in the Chesapeake and Delaware Canal. We request a capability sum of $1,200,000 as opposed to the $103,000 which has been included in the budget recommendation. You will note, on the last page of our statement, that the Chesapeake and Delaware Canal is an improved waterway link between the port of Philadelphia and the port of Baltimore. The improvement is needed to accommodate today's vessel traffic safely and expeditiously. Approximately 10 percent of Philadelphia's traffic uses this canal in order to save 286 nautical miles on the journey between these two ports. Similarly, the project is needed for national defense preparedness. This waterway was used extensively in World War II and this use would repeat in any future conflict.

We are simply asking for a more realistic construction schedule for the Chesapeake and Delaware Canal. At the present rate, it will take 75 years to complete the project and, therefore, we ask that the $103,000 sum be increased to $1,200,000.

That completes our testimony, sir.

Mr. CANNON. Off the record.

(Discussion off the record.)

The Corps of Engineers told you that they were in a position to use more money on this item?

Mr. FISHER. They have advised us that they could use capably—economically and capably—the sum of $1.2 million.

Mr. CANNON. The committee desires to call attention again to the fact that the Corps of Engineers seems to be ready to advise anybody that they can use more money on practically any project in the budget, and yet they testified before the committee recently that they were not able to take care of even the work for which money had been provided.

Thank you, Mr. Fisher.

Mr. FISHER. Thank you, sir.

WEDNESDAY, APRIL 13, 1960.

PLAQUEMINE-MORGAN CITY ALTERNATE ROUTE, MISSISSIPPI RIVER; BATON ROUGE TO GULF AND GULF OUTLET—GULF INTRACOASTAL AND DEVILS SWAMP

WITNESS

HON. JAMES H. MORRISON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. CANNON. We shall now be glad to hear from Congressman Morrison of Louisiana.

Mr. MORRISON. Thank you, Mr. Chairman.

Mr. Chairman, the gentleman who is chairman of the public works department of the Baton Rouge Port Commission, Mr. Woodrow Dumas, came up yesterday from Baton Rouge to testify but, unfortunately, he had a slight stroke yesterday and it will be impossible for him to testify today. Therefore, since this time was allotted to these two projects, I am going to try as best I can to take his place and testify in his behalf because he is not able to be here.

Mr. CANNON. The committee will be glad to hear you, Congressman Morrison.

Mr. MORRISON. Mr. Chairman, there are two projects. One project is known as the Plaquemine-Morgan City alternate route of the Gulf Intracoastal Waterway.

I wish to recommend and urge the appropriation of the sum of $4,166,000, the amount which I am advised is necessary and adequate to complete the Plaquemine-Morgan City alternate route to the Gulf Intracoastal Waterway, as authorized by the Rivers and Harbors Act of Congress, Public Law No. 525, adopted July 24, 1946.

This project is 85 percent complete; $23,540,000 has been spent and in order to complete it, it will take $4,166,000 of additional money which is in the budget for this year.

Mr. CANNON. I believe you have another item in which you are interested?

Mr. MORRISON. Yes, Mr. Chairman.

Mr. Dumas was also supposed to testify in behalf of this project. This project has halfway been completed. The distance was 2½ miles for the first phase and 5 miles for the second phase.

This project was authorized by the River and Harbor Act of Congress, Public Law 525, adopted July 24, 1946.

The first 2½-mile phase of the channel was completed in 1959 at a cost of $1,180,941, but the construction contract was let only after the Greater Baton Rouge Port Commission entered into a rather unique agreement with the U.S. Corps of Engineers under which the commission contributed approximately one-half of the construction cost.

I should like to point out that the commission was so convinced of the public need for this project and the benefits to be derived therefrom, that it contributed the total sum of $649,517.55, a contribution which, of course, it had no legal obligation to make.

It should be added, moreover, that the funds so contributed represented the proceeds of revenue bonds of the commission which the commission must repay from earnings, and were not funds merely appropriated to the commission by the State of Louisiana.

In addition to the direct cost participation, the port commission has now fulfilled all the obligations required of it under the River and Harbor Act of Congress; namely:

(1) To provide, without cost to the United States, all lands, easements, rights-of-way, and spoil disposal areas necessary for the construction and subsequent maintenance of the project;

(2) To hold and save the United States free from damage due to the construction and subsequent maintenance of the project;

(3) To provide, maintain, and operate adequate terminal facilities which shall be open to all on equal terms.

It should be pointed out that all rights-of-way and spoil disposal areas were donated by property owners free of cost except the right-of-way for the westerly portion of the proposed turn basin at the northerly end of the second phase of the project, where two landowners stand to lose more than the normal amount of land through dredging. Such donations affected some 6,273 acres.

In fulfilling the terminal facility requirement, the Greater Baton Rouge Port Commission has constructed and placed in operation at a total cost of $3,657,097.76, the Baton Rouge Barge Terminal, which many bargeline representatives have called the finest facility of its kind on the Mississippi River Waterway System.

In this connection, I wish to present to you the two photographs which are marked "Exhibit 1" and "Exhibit 2," and the map which is marked "Exhibit 3." Here [indicating] are the two pictures which I might show to the members of the committee.

Mr. CANNON. They will be received for the use of the committee.

Mr. MORRISON. There has been the fullest cooperation and participation on the part of local interests.

The first channel phase ends immediately north of the Baton Rouge Barge Terminal, and, as seen from exhibit 3, such phase does not contain a turn basin, such as that provided in the second phase. This has to do with traffic handling. Thus, traffic congestion at or near the terminal results in some hazard to both floating equipment and the terminal facility. Moreover, extension of the channel will provide fleeting areas north of the terminal which need not be passed by traffic moving to and from the terminal and the Mississippi River.

Second, Mr. Chairman, the flow of Bayou Baton Rouge, the course of which I shall attempt to trace on the map which I hand you, marked "Exhibit 4," has become obstructed and impeded by the spoil which now encloses the completed phase of the channel. A certain amount of obstruction had been anticipated, but completion of certain flood control projects in east Baton Rouge Parish during the past 2 years has increased the area drained by Bayou Baton Rouge, and the volume of water carried by it.

The result is that during certain periods this stream flows in a reverse direction in areas north of the project, causing inundation of properties.

Construction of the second phase, with the free flow of Bayou Baton Rouge into it, would relieve this condition. By way of explanation, it should be stated that this stream cannot enter and drain through the first phase of the channel except through the westerly spoil bank, which cannot be permitted, since it would permit the flow of Mississippi River water into the present channel with seriously damaging effects.

Now, with reference to the second phase of this project, which has not been completed, it is necessary for an appropriation of $2,331,000 to be made in order to complete this project, and I strongly urge that the Appropriations Committee appropriate this amount of $2,331,000 for the second phase and the completion of this barge canal, which is approximately 40 percent completed with the first phase.

Mr. CANNON. Thank you, Congressman Morrison. Off the record.

(Discussion off the record.)

Mr. CANNON. It has been a pleasure to have you.

Mr. MORRISON. Mr. Chairman, it has been a pleasure, as usual, to appear before you and I thank you for your kindness.

Mr. RABAUT. Off the record.

(Discussion off the record.)

BATON ROUGE BARGE CANAL

(NOTE.—The following statement was submitted for the record:)

STATEMENT OF EUGENE CAZEDESSUS, BATON ROUGE, LA., REGARDING BATON ROUGE BARGE CANAL

Mr. Chairman, my name is Eugene Cazedessus. As a citizen and owner of interest in lands lying on both first and second phases of the Baton Rouge barge canal, I object to appropriation of funds for the second phase of this canal. Reasons follow:

1. In completing the first phase, the Baton Rouge Port Commission failed to adhere to promises to landowners relative to conservation of spoil and method of construction.

2. To date there has been no development of any industry on the first phase. I believe this is due in part to failure to construct canal as proposed and promised to property owners, and failure to conserve spoil to permit use of low land.

3. The second phase if constructed without a bridge at the end of the first phase would isolate lands on first phase.

4. There is no need for, or purpose to be served, by second phase at present.

5. The public has not been furnished adequate information and property owners have not been adequately informed on plans for the second phase.

WEDNESDAY, APRIL 13, 1960.

OREGON PROJECTS

WITNESSES

HON. WAYNE MORSE, A U.S. SENATOR FROM THE STATE OF OREGON
HON. EDITH GREEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON
HON. AL ULLMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. CANNON. Congressman Ullman, we shall be glad to hear from you at this time. Will you please be seated?

Mr. ULLMAN. Mr. Chairman, I first want to commend this committee for its diligence and hard work. I do not know of a harder working committee or one which does such an excellent job.

Might I, first, Mr. Chairman, ask permission to have the statement by our senior Senator from Oregon, Mr. Morse, placed in the record?

Mr. CANNON. The Senator's statement will be made a part of the record at this point.

(The statement referred to follows:)

STATEMENT OF SENATOR WAYNE MORSE

Mr. Chairman and members of the committee, this year, as in previous years, I am urging the members of the Appropriations Committee to provide the maximum funds usable for public works projects under the jurisdiction of the Corps of Engineers and the Department of the Interior.

Each year I ask the Corps of Engineers and the Interior Department to give me information as to the maximum appropriations that could be used effectively and efficiently in their respective public works programs. Upon the reliable data thus supplied, I base my request of your committee for funds with which to implement our Federal public works programs.

PUBLIC WORKS APPROPRIATIONS—INVESTMENTS THAT RETURN DIVIDENDS

On many occasions I have pointed out that appropriations for self-liquidating public works projects should not be lumped in with appropriations covering current operating costs of government. Consider for instance, our great multipurpose Oregon dam projects. These repay their construction costs, with interest, long before their useful lives terminate. They belong to the people of the United States, to serve many generations with low-cost electric power, flood control, regulation of river flows, improved navigation, water pollution abatement, and recreation opportunities.

These self-liquidating income-producing projects should be set apart from ordinary subjects of the budget which reflect operating costs of government, so that they may be understood clearly, on the merits, by our American taxpayers. I have urged for several years that projects of this type be placed in what is designated as a "capital budget" of the Federal Government, in much the same manner as the businessman designates his capital investments in his inventory of assets.

Multipurpose flood control projects constitute public works which not only produce power revenues but save property owners millions of dollars of flood losses each year. Flood losses prevented mean, indirectly, great benefits for the Federal Treasury. They assure the uninterrupted productive capacity of prop-

erty that brings tax revenues to the United States, the States, and local governments.

In like manner the improvement and development of river and harbor projects is of great significance, not only from the standpoint of national defense, but from the viewpoint of economic development in the areas adjacent and tributary to port and navigation projects. This economic development translates into tax dollars for Federal, State, and local Treasuries.

THE ADMINISTRATION'S RETREAT FROM THE "NO NEW STARTS" POLICY

It is deeply gratifying that the administration, in a Presidential election year, has abandoned its rigid "no new starts" policy and has included an important new multipurpose dam project start for Oregon. Our unrelenting fight against this restrictive policy has at last produced a victory in the public interest.

The paragraphs that follow contain my recommendations on appropriations for public works projects in Oregon. I urge their serious and favorable consideration by this committee.

ARMY CORPS OF ENGINEERS

A. CONSTRUCTION

1. Flood control and/or power projects

John Day lock and dam.—The John Day Dam project is now under construction on the Columbia Rivr approximately 215 miles upstream from the mouth of the river, 26 miles east of The Dalles, Oreg. Upon completion it will have a reservoir of 76 miles and will provide 500,000 acre-feet of flood control storage. The power installation at John Day will include 12 initial units of 108,700 kilowatts each and an ultimate installation of 20 generators. The dam will provide navigation, irrigation, power, and recreation benefits, with an excellent benefit-cost ratio of 1.8 to 1.

Initially, the budget request for fiscal 1961 for John Day Dam was $41,800,000. However, favorable bidding on the first major construction contract resulted in a downward revision of the budget request and the amount usable. The Corps of Engineers advises me that $37 million will be adequate for the coming fiscal year and is the maximum amount that could be utilized from an engineering standpoint. I am informed that this reduced budget request will not result in construction delay; consequently, I urge the approval of $37 million this year for John Day Dam.

Cougar Reservoir.—Cougar Reservoir on the South Fork McKenzie River, Oreg., will be 65 percent completed by the end of fiscal 1961, provided the budget request of $12,300,000 is approved this year.

Cougar Reservoir will provide flood control, electric power generation and recreation benefits. It will increase low water flows for conservation uses on the McKenzie and Willamette Rivers. Recreation uses will be established in cooperation with the Forest Service.

Appropriation of the full amount usable and the amount requested in this year's budget—$12,300,000—is clearly warranted.

Hills Creek Dam.—Hills Creek Dam, on the Middle Fork Willamette River, 26.5 miles upstream from Lookout Point Dam, is nearing completion. Approval of the $10,500,000 requested in this year's budget will bring the project to 94 percent of completion during fiscal 1961.

The project is closely related to Lookout Point Dam in that its storage potential can be used in the interest of maximum power production at Lookout Point.

Appropriation of the full amount requested in the budget for the coming fiscal year will bring flood control, storage regulation, and electric power benefits of this fine project into operation in the near future.

The Dalles lock and dam.—This great multiple purpose projects recalls to mind the difficult days of 1951 when the question of proceeding or not proceeding with the construction of The Dalles Dam hung in the balance. I presented to President Truman a strong plea on the merits of the project and urged that construction be undertaken immediately. The President was convinced that the project should go forward, and construction began in February 1952. The entire Nation and the region benefited by this wise decision.

The appropriation of $1,900,000, as requested in the budget, will bring the project to approximately 99 percent of completion. It is now generating electric power and producing power revenues which ultimately will repay the entire

Federal investment. I strongly support the appropriation requested for this year.

Malheur River.—For years I have urged appropriations for levee and channel clearing to protect the town of Vale and vicinity. I am pleased to observe that completion of this very important flood control project is now in sight.

The appropriation of $112,000, as requested in this year's budget, will enable the corps to finish this highly desirable project.

Multnomah County Drainage District No. 1.—The Portland International Airport, of great significance to the entire Nation, is located within Multnomah County Drainage District No. 1. The levees of this project protect property valued at millions of dollars from flood damage in high water seasons.

The $590,000 requested in the budget for fiscal 1961 will enable the corps to complete construction of this project. I urge approval of the budget request.

2. *Navigation projects under construction*

Rogue River at Gold Beach.—Southwestern Oregon can be proud of the fact that the excellent Rogue River Harbor at Gold Beach, as envisaged by the Corps of Engineers' project, will be completed during fiscal 1961 with an appropriation of the budget request of $2,018,000.

Rogue River Harbor will constitute a fine port for ocean shipments of lumber, lumber products and other commodities, and will contribute to the fishery of the area. It will serve as a refuge harbor for small craft.

Projects such as this benefit the United States, the State of Oregon, and Oregon communities in many respects. Vast sources of untapped wealth lie in the nearby forests. The availability of a port for the shipment of lumber will enhance the value of stumpage, thereby bringing increased revenues to the Federal Treasury, lumber shipments through Oregon ports, and also foster the economies of the port areas.

Appropriation of the full budget request of $2,018,000 for the Rogue River Harbor project will constitute a sound business investment for the Government.

3. *Rehabilitation of major Oregon projects*

Siuslaw River Harbor, Umpqua River Harbor and Coos Bay.—Three highly important harbors on the coast of Oregon require immediate jetty rehabilitation work. The harbors to which I refer are Siuslaw River, Umpqua River, and Coos Bay. At these locations the south jetties have deteriorated.

At Coos Bay and Siuslaw River Harbors jetties in excellent condition will assist scouring action which will substantially reduce annual maintenance dredging.

At Umpqua River Harbor rehabilitation of the south jetty will make safer navigation and will allow restoration of traffic lost through the sunken nature of the jetty.

Money spent in rehabilitating jetties saves many times over the cost of maintenance operations. The initial outlay by way of rehabilitation may be substantial, but in the long run an overall savings is effected for the Government. In addition, these improvements will save lives, reduce property losses, and restore the fishery industry in some cases.

For fiscal year 1961 the budget includes $50,000 in planning funds for Coos Bay jetty rehabilitation. $30,000 in planning funds for the Siuslaw Harbor south jetty project, and nothing for the Umpqua Harbor south jetty rehabilitation. However, the Corps of Engineers advises me it would be engineeringly feasible to spend $200,000 on each of these projects during the coming fiscal year. This would mean that $150,000 could be devoted to initial construction work on the Coos Bay jetty and $170,000 for such work on the Siuslaw south jetty. Although the budget requests nothing for the Umpqua south jetty rehabilitation the corps informs me that it could use $30,000 in planning money and $170,000 in construction money during fiscal 1961.

In view of the ultimate net savings to the Federal Government through reduced operation and maintenance costs to result from rehabilitation of these south jetties, I strongly recommend approval of $200,000 by way of appropriations for each of the three projects during the coming fiscal year.

4. *Small authorized projects*

Under the small authorized projects law the Corps of Engineers has authority to proceed with the construction of projects having a total cost of not in excess of $400,000. This year the budget request for carrying on work under the small authorized projects law is $2 million. The corps tells me it could use $3 million

effectively and efficiently under this program. I urge the committee to approve the full amount usable.

The small authorized projects program is of special significance to the State of Oregon because by fiscal 1961, the preconstruction planning of the highly desirable Hood River small boat basin project will have been completed. This project has strong local support, evidenced by substantial sums already invested by local interests.

The corps estimates that the boat basin could be completed upon an expenditure of $361,000. It is eligible as a small authorized project in the tentative program set up under the small authorized projects law. It will constitute a highly feasible, completely meritorious and extremely desirable project for this area of the Columbia River Basin. Specific approval of an appropriation of $361,000 for the Hood River small boat basin project out of the funds to be made available for small authorized projects, would be in the public interest.

5. Fisheries—conservation

This year's budget includes an item of $1,400,000 for the Columbia River fishery development program. This program is designed to counteract damages to fisheries resulting from dam construction and other obstructions in the lower Columbia River. The program has been developed by the Fish and Wildlife Service with funds appropriated to the Corps of Engineers. The Fish and Wildlife Service has coordinated its activities with the Fisheries Departments of Oregon and Washington.

There is an urgent need for an intensified study of the program of fish passage around high dams, particularly in the Snake River area. This type of study is strongly endorsed by the Columbia Basin Inter-Agency Committee. Time is of the essence because normal resource development of our great Pacific Northwest rivers cannot be realized fully until the fish passage problem is solved.

The budget also includes an item of $500,000 for fish and wildlife studies to determine the effects on fish and wildlife resources of water-control projects of the Corps of Engineers. I urge the committee to include an additional $500,000 for this item to enable a crash study program to proceed on the high dam-fish passage problem. Therefore, I urge the appropriation of $1 million for fiscal 1961 under the caption, "Fish and Wildlife Studies."

B. AUTHORIZED PROJECTS NOT UNDER CONSTRUCTION

1. Flood control and/or power projects not under construction

Green Peter Reservoir.—This year a major breakthrough in our fight against the administration's indefensible "no new starts" policy came with the budget request of $1,400,000 for Green Peter Dam on the middle Santiam River.

The Green Peter project was found highly feasible and was authorized several years ago. The planning was completed during fiscal 1959 but failure of the Administration to ask construction funds for fiscal 1960 delayed the project for a year. Green Peter Dam is the type of self-liquidating project that will pay for its entire cost, including interest on the Federal investment, long before the useful life of the project has ceased. It will provide great flood control and electric power benefits as well as other benefits in the general public interest.

The corps has reported to me that it could use, effectively and efficiently $2,500,000 with which to begin construction on Green Peter in the coming fiscal year. Appropriation of the full amount usable would be in the public interest.

Fall Creek Reservoir.—Fall Creek Dam, on a tributary of the Middle Fork Willamette River would, upon completion, provide flood control, navigation, and downstream power benefits for the Willamette River Basin.

The planning on the project has been completed. It has been found highly feasible, but the administration has asked not one cent in the budget for the project this year.

The Corps of Engineers advised me that it would be engineeringly feasible to use $1,500,000 with which to begin construction of Fall Creek Dam in the coming fiscal year. I urge that this amount be approved.

Blue River Reservoir.—The proposed Blue River project, to be located approximately 38 miles east of Eugene, Oreg., would constitute a major flood control facility for the McKenzie River area.

The budget request for Blue River this year is $136,000. This is the full amount usable by the corps. Appropriation of the amount requested in the budget would enable the corps to complete the planning and would place Blue

River in position for initial construction during fiscal 1962. Approval of an appropriation of $136,000 is clearly warranted.

Other Oregon flood protection works not under construction.—There are many areas along the navigable rivers of Oregon, and their tributaries, which are urgently in need of flood control works. Some of these projects are in the planning stage, others are ready for construction. These projects are completely warranted in that they will prevent heavy flood loss damage. They are listed on page 2 of the chart appended to this statement.

With the exception of the lower Columbia River bank protection project, for which $400,000 has been requested, these important flood control projects have not been included in the budget. In the chart just mentioned I have indicated the amounts usable by the Corps of Engineers during fiscal 1961 on each flood control project. I ask the committee's serious consideration to the inclusion of these items in its action upon the budget request.

2. Oregon navigation projects not under construction

Coos and Millicoma Rivers.—This project is designed to serve as an important waterway for the transportation of lumber from tributary forest areas.

The budget request of $23,000 would enable the corps to complete the planning on the project. I urge the committee to give favorable consideration to the budget request. If approved, it will enable actual construction work to be undertaken in fiscal 1962.

Siuslaw River and Bar modification.—The Siuslaw Harbor at Florence, Oreg. is an important port of the Oregon coast area. When fully developed, the Siuslaw Harbor will provide port facilities for a number of industries, including fishing. The major requirement of the Siuslaw Harbor is the repair of the existing south jetty, but planning funds for further development of the harbor are also of importance.

The Corps of Engineers informs me that $21,000 could be used efficiently and effectively for Siuslaw Harbor planning during fiscal 1961. I ask that the full amount usable be appropriated.

Yaquina Harbor modification.—The Yaquina Harbor modification project has had my strong support over a number of years. In 1956, my office made a strong presentation before the Board of Engineers for Rivers and Harbors in support of the modification project and this, in turn, enabled the proponents of the project to present to the Board strong evidence of the feasibility of the modification.

Tremendous economic good would result from the improvement of this fine Oregon coastal harbor. I am pleased that this year the budget request contains an item of $300,000 with which to continue planning on the project. I urge the appropriation of that amount because it will bring this extremely important project much closer to the construction stage.

C. GENERAL INVESTIGATIONS

1. (a) Oregon flood control investigations

The budget for the coming fiscal year contains requests for investigation funds relative to the Grande Ronde, Rogue River, and Umpqua River flood control projects. I endorse the budget request for $16,700 for the Grande Ronde investigation. This sum will complete the planning of this worthwhile project.

The Rogue River and Umpqua River budget requests for investigation funds are inadequate; $30,000 is requested for the Rogue River survey, whereas $75,500 could be used by the corps; the request for the Umpqua River survey is $25,000 whereas $50,600 could be used. Both projects are of great importance in their relationship to the prevention of substantial flood losses. They should be completed at the earliest possible date and I ask the committee to consider seriously the appropriation of the full amount usable on both of the last-mentioned projects.

On page 3 of the attached chart are listed a number of other deserving flood control investigation studies. These should be implemented at the earliest possible date.

(b) Oregon navigation investigation projects

On pages 3 and 4 of the attached chart are listed a number of Oregon navigation projects upon which investigations should be undertaken at an early date.

A budget request of $31,900 has been made with respect to the project for investigation of increased width and depth of the Columbia River from the

mouth to Portland-Vancouver. This deserves prompt approval because it will enable the corps to complete this highly important study.

Also included in this year's budget is $11,300 for the Umpqua River navigation project. Approval of this amount will permit the study to continue. It is of great significance to the area and deserves approval.

The Corps of Engineers has advised me that $9,000 could be used during fiscal 1961 for a study of the Port Orford Harbor project. This study is of great urgency because Port Orford suffered severe storm damage last winter. The facilities of the port was constructed by local authorities and this initiative in itself presents a strong argument for Federal works in this harbor. Although the budget requests nothing for the study, I believe that in justice and fairness the full $9,000 should be approved for the Port Orford Harbor navigation study.

The Tillamook Bay project should have navigation studies in the immediate future because the repair of Bay Ocean Spit put the bay in condition to resume its status as a major port area of the Oregon coast. Nothing has been included in this year's budget for an investigation of the Tillamook Bay project, but $10,000 could be used by the Corps of Engineers for that purpose. I ask serious consideration to the inclusion of the amount usable in fiscal 1961 on this item.

The Chetco River project at Brookings was not included for investigation funds in this year's budget. $6,000 could be used by the corps for that purpose. This investigation should be made in the near future and I ask inclusion of that sum for this purpose.

D. OPERATION AND MAINTENANCE

1. Flood control and/or power

The budget for the coming fiscal year includes nine items for which operation and maintenance funds have been asked for existing flood control or multipurpose projects. There are instances in which the budget request is less than the amount usable by the agency operating the project. The application of the maximum amount usable for maintenance of each project results in efficiency and economy. Therefore, I ask that the committee consider seriously the appropriation of the full amounts usable for operation and maintenance on Oregon flood control and power projects.

2. Navigation

The budget request for fiscal 1961 for operation and maintenance of navigation projects includes 13 Oregon projects. In some cases the budget request is less than the amount usable by the Corps of Engineers. In the interest of longrun economy, I urge that the full amounts usable be appropriated for operation and maintenance on these navigation projects.

BUREAU OF RECLAMATION

A. CONSTRUCTION

On page 5 of the chart attached to this statement is a list of four Oregon reclamation projects for which substantial construction funds have been requested in the budget. All of these projects are meritorious and approval of the full requested appropriations is clearly justifiable. I ask that they be regarded favorably by the committee.

The Dalles project (western division)

Although the Dalles reclamation project has not been authorized by the Congress, I have every reason to believe that favorable action will be taken on the authorization bill I introduced in the Senate or on the bill introduced on the House side by Congressman Ullman. A favorable report has been submitted to the Secretary of the Interior by the regional office of the Bureau of Reclamation with the approval of the Commissioner of Reclamation. The Secretary, in turn, has indicated that he favors the project and the matter has been referred to the Governors of the various States and to interested Government agencies for their comments. No objections are anticipated.

The Dalles project (western division) is of an extremely urgent nature in that the water table of the project area has fallen rapidly. The State authorities have declared the area to be one of critical water supply. The reclamation project would restore the water table and prevent depletion of sources of water for the city of The Dalles.

Total cost of the project is slightly over $5 million and the Bureau of Reclamation has indicated that under an accelerated 3-year construction program, $500,000 could be used during fiscal 1961. In recognition of the urgency of the project, I ask the committee's approval of this initial appropriation.

B. INVESTIGATIONS: OREGON RECLAMATION PROJECTS

Walla Walla project, Oregon and Washington

Residents of the area of the Milton-Freewater area have communicated with me for the past 2 years expressing their deep concern over the falling water table of the Walla Walla Basin. Strong local interest in a feasibility study for a reclamation project in this area has been demonstrated. I was pleased to observe that a budget request of $45,000 for the first year of a proposed 5-year feasibility study has been made. It is with enthusiasm that I endorse this budget request. Its importance to the farmers of the area cannot be overestimated.

Other Oregon reclamation investigations

On page 6 of the chart attached to this statement are listed 11 additional reclamation investigation projects. They are backed up by strong indications of local support and are thoroughly justified. I urge approval of these budget requests.

Bonneville Power Administration

A total of $31,195,000 is requested by the Bonneville Power Administration for construction and operation and maintenance purposes. Listed below are a number of important Oregon projects for which BPA seeks funds. Approval of these items would be in the public interest.

Big Eddy-McLoughlin	$2,691,000
Harney Electric Co-op Service	1,052,000
North Central Oregon Service	803,000
Cougar-Eugene line	480,000
Hills Creek-Oakridge line	213,000
Reston switching station	160,000
Hanna substation addition	148,000
Hampton Butte	72,000
Fern Ridge substation	66,000
Gold Beach substation addition	66,000
Mapleton substation	127,000
Port Orford substation	29,000
Ione substation	53,000

The attention of the committee is directed to the item of $1,152,000 to be applied to the Harney Electric Cooperative Service line. It gave me a great deal of pleasure to support an appropriation for the transmission line with which to bring long-overdue Bonneville power to farmers and ranchers in the area of Oregon and Nevada to be serviced by the Harney Electric Cooperative.

SUMMARY, PUBLIC WORKS APPROPRIATIONS, FISCAL 1961—RECOMMENDATIONS OF SENATOR MORSE

Army Corps of Engineers

A. AUTHORIZED PROJECTS UNDER CONSTRUCTION

Project	Amount included in President's fiscal year 1961 budget	Amount usable fiscal year 1961	Amount recommended by Senator Morse
1. Flood control and/or power projects under construction:			
John Day lock and dam	[1] $37,000,000	$37,000,000	$37,000,000
Cougar Reservoir	12,300,000	12,300,000	12,300,000
Hills Creek Reservoir	10,500,000	10,500,000	10,500,000
The Dalles lock and dam	1,900,000	1,900,000	1,900,000
Malheur River	112,000	112,000	112,000
Multnomah County diversion dam No. 1	590,000	590,000	590,000
Willamette River bank protection	500,000	800,000	800,000
2. Navigation projects under construction: Rogue River at Gold Beach	2,018,000	2,018,000	2,018,000

[1] Revised by budget amendment from $41,800,000.

Army Corps of Engineers—Continued

Project	Amount included in President's fiscal year 1961 budget	Amount usable fiscal year 1961	Amount recommended by Senator Morse
3. Rehabilitation of major Oregon projects:			
Coos Bay	(P)$50,000	$200,000	$200,000
Siuslaw River and bar	(P)30,000	200,000	200,000
Umpqua River Harbor	0	200,000	200,000
Columbia River mouth (phase 2)	(P)50,000	460,000	460,000
4. Small authorized projects:			
Total for United States	2,000,000	3,000,000	3,000,000
Hood River small-boat basin [1]		361,000	361,000
5. Fisheries, conservation:			
Columbia River fishery development program	1,400,000	1,400,000	1,400,000
Fish and wildlife studies	500,000		1,000,000
B. AUTHORIZED PROJECTS NOT UNDER CONSTRUCTION			
1. Flood control and/or power projects not under construction:			
Green Peter Reservoir	$1,400,000	(C)$2,500,000	$2,500,000
Fall Creek Reservoir	0	(C)1,500,000	1,500,000
Blue River Reservoir	136,000	(P)136,000	136,000
John Day River	0	(P)26,200	26,200
Lower Columbia River bank protection	400,000	(C)600,000	600,000
Lower Columbia River at new locations: Hayden Island	0	(P)25,000	25,000
Lower Columbia River improvement existing works:			
Beaver diversion dam	0	(C)350,000	350,000
Clatskanie diversion dam	0	(P)16,000	16,000
Deer Island diversion dam	0	(P)30,000	30,000
Ranier diversion dam	0	(C)200,000	200,000
Sauvie Island diversion dam	0	(C)150,000	150,000
Scappoose diversion dam	0	(P)61,000	61,000
Pilot Rock	0	(P)11,600	11,600
Pudding River	0	(P)100,000	100,000
Williamette River Basin channel improvement and major drainage:			
Area east of Albany	0	(P)10,000	10,000
Bear Creek	0	(P)26,000	26,000
Flat Creek	0	(P)50,000	50,000
West Muddy and Mary's River	0	(P)50,000	50,000
Shelton Ditch	0	(P)50,000	50,000
Willamette River channel clearing and snagging	0	(P)35,000	35,000
2. Navigation projects not under construction:			
Columbia Slough	0	(P) 20,000	20,000
Coos and Millicoma Rivers	23,000	(P) 23,000	23,000
Siuslaw River and Bar	0	(P) 21,000	21,000
Willamette River above Portland and Yamhill River	0	(P) 45,000	45,000
Willamette River at Willamette Falls	0	(P) 85,000	85,000
Yaquina Harbor modification	300,000	(P) 300,000	300,000
C. GENERAL INVESTIGATIONS			
1. Oregon projects:			
(a) Flood control:			
Amazon Creek	0	$13,000	$13,000
Beaver Creek	0	10,000	10,000
Calapooya River (Holly Dam)	0	30,000	30,000
Coquille River	0	14,000	14,000
Grande Ronde	$16,700	16,700	16,700
Horse Creek	0	23,500	23,500
Lower Colorado River	0	25,000	25,000
Luckiamute River	0	25,000	25,000
Mary's River	0	8,000	8,000
McKay Creek	0	10,000	10,000
Nestucca River	0	25,000	25,000
Rickreal Creek	0	12,000	12,000
Rogue River	30,000	75,500	75,500
Salmon Creek	0	2,500	2,500
Thomas Creek	0	10,000	10,000
Tillamook Bay streams	0	30,000	30,000
Umpqua River	25,000	50,600	50,600
Yamhill River	0	30,000	30,000
Yaquina River	0	10,000	10,000

[1] Eligible as small authorized project in tentative program under small authorized projects law.

Army Corps of Engineers—Continued

Project	Amount included in President's fiscal year 1961 budget	Amount usable fiscal year 1961	Amount recommended by Senator Morse
1. Oregon projects—Continued			
(b) Navigation:			
Chetco River	0	$6,000	$6,000
Columbia River, Astoria-Megler	0	5,000	5,000
Columbia River, mouth to Portland-Vancouver	$31,900	31,900	31,900
Coos Bay	0	5,000	5,000
Coquille River	0	8,400	8,400
Lower Snake River	0	25,000	25,000
Port Orford	0	9,000	9,000
Rogue River-Gold Beach	0	3,000	3,000
Siuslaw River	0	10,000	10,000
Tillamook Bay	0	10,000	10,000
Umpqua River	11,300	11,300	11,300

D. OPERATION AND MAINTENANCE

1. Flood control and/or power:			
Bonneville Dam	$2,074,000	$2,074,000	$2,074,000
Detroit Reservoir	494,000	596,000	596,000
Lookout Point Reservoir	545,000	554,000	554,000
The Dalles Dam	1,400,000	1,400,000	1,400,000
McNary Dam	1,878,000	1,878,000	1,878,000
Cottage Grove Reservoir	47,000	56,000	56,000
Dorena Reservoir	41,000	61,000	61,000
Fern Ridge Reservoir	53,000	85,000	85,000
Willamette River bank protection	70,000	75,000	75,000
2. Navigation:			
Chetco River	10,000	51,000	51,000
Columbia River at mouth	2,000,000	2,000,000	2,000,000
Columbia and Lower Willamette	2,735,000	3,460,000	3,460,000
Columbia River, Vancouver-The Dalles	1,000,000	1,300,000	1,300,000
Coos Bay	500,000	620,000	620,000
Coquille River	60,000	67,000	67,000
Siuslaw River	100,000	100,000	100,000
Tillamook Bay	30,000	61,000	61,000
Umpqua River	65,000	76,000	76,000
Willamette River at Willamette Falls	156,000	156,000	156,000
Wilamette River above Portland and Yamhill River	400,000	435,000	435,000
Yaquina Bay	115,000	115,000	115,000
Yaquina River	0	64,000	64,000

Bureau of Reclamation

A. CONSTRUCTION

	Amount included in President's budget for fiscal year 1961	Amount recommended by Senator Morse
1. Oregon reclamation projects under construction:		
Crooked River	$2,235,000	$2,235,000
Rogue River Basin, Talent division	2,450,000	2,450,000
Klamath project, Oregon-California	868,000	868,000
Vale project, Bully Creek	173,000	173,000
2. Oregon reclamation projects not under construction: The Dalles project (western division)	0	500,000
3. Oregon rehabilitation project (under Rehabilitation and Betterment Act): Rogue River Basin (Medford and Rogue River Irrigation Districts)	200,000	200,000

B. OPERATION AND MAINTENANCE

Boise, Oreg.-Wash	$365,000	$365,000
Klamath, Oreg.-Calif	38,400	38,400

Bureau of Reclamation—Continued

C. INVESTIGATIONS

	Amount included in President's budget for fiscal year 1961	Amount recommended by Senator Morse
1. Oregon reclamation projects under investigation:		
(*a*) Basin surveys:		
Columbia River Basin, Oreg.-Wash	$74,000	$74,000
Upper and middle Snake	15,000	15,000
Umpqua River Basin, stream gaging	1,700	1,700
(*b*) Feasibility studies:		
Crooked River extension	52,000	52,000
Monmouth-Dallas	28,000	28,000
Red Prairie	60,000	60,000
Rogue River Basin	70,578	70,578
Tualatin	28,000	28,000
Birch Creek diversion unit	[1] 10,000	10,000
Umpqua River	84,000	84,000
Walla Walla, Oreg. and Wash	[1] 45,000	45,000
Upper Lost River storage unit	84,500	84,500

[1] New studies.

Bonneville Power Administration

1. BONNEVILLE POWER ADMINISTRATION

	Amount included in President's budget for fiscal year 1961	Amount recommended by Senator Morse
Total for Oregon	$31,195,000	$31,195,000

STATEMENT OF REPRESENTATIVE EDITH GREEN OF OREGON

Mr. ULLMAN. Might I, Mr. Chairman, yield to my senior colleague in the House for the purpose of inserting a statement in the record?

Mr. CANNON. Yes, indeed. We would be very glad to hear from the Congresswoman, Mrs. Green of Oregon.

The lady from Oregon, Mrs. Green, submits a statement, which will be included in the record at this point.

(The statement referred to follows:)

STATEMENT OF THE HONORABLE EDITH GREEN, A MEMBER OF CONGRESS FROM OREGON

Mr. Chairman, members of the subcommittee, I want, first, to thank you for affording me an opportunity to submit this statement of the needs of my State and congressional district in the field of public works.

I would like to preface these remarks with a word of appreciation for the vision, and the care with which the members of this subcommittee have examined the requests of the members of the Oregon delegation in past years. This subcommittee and the parent committee have always given my State and my region, as they have given the Nation, the benefit of a basically sound and far-seeing concept of the potential of our still-growing country in spite of the overall Presidential budget policy. This committee understands the difference between capital investment and so-called pork-barreling—a distinction which many of the critics of public works appropriations do not understand, but a distinction of major importance to the comprehensive development of our Nation's waterways.

The largest public works projects in the State of Oregon lie outside my district. But I would not want to pass over them in silence, since some of them are of tremendous importance, not only to the people of my district, but to the entire Nation. Such for example is the great John Day Dam on the Columbia River, and the Dalles Dam on the same river. I am pleased to see that the budget contains funds for both these projects, to the full extent usable. I urge the committee to recommend the appropriation of the full amount of budget requests for these major projects.

Other members of the delegation have and will appear before the committee to discuss these programs in detail. To save the time of this committee, in discussing these projects. I have limited my comments to projects of immediate interest to my district. But I want once again to point out that the best interests of the State of Oregon, and of the entire Nation are served, in my opinion, by the principle of comprehensive development—a principle which has received some body blows in recent years. Public works projects outside my district, outside my State, even outside the great Columbia River Basin, can be and are of importance to my constituents as American citizens and American taxpayers. I want again to congratulate this committee for the understanding of the necessity of viewing public works from a nationwide point of view which the committee's reports have so clearly demonstrated throughout my service in the Congress. I submit my recommendations and the accompanying chart, in the hope that they will be examined in that national context—the best context from any region's point of view.

GENERAL CONSTRUCTION

This year's budget recommends the appropriation of $590,000 for completion of the flood control construction work in Multnomah Drainage District No. 1. This project provides flood protection for the Portland International Airport and adjacent areas, where a lack of such protection might cost millions of dollars. The continued joint civilian-military use of Portland International, with its jet capacity, makes flood protection for this installation a national security question, as well as an important economic investment. I am deeply gratified at the fact that the budget recommends the full amount needed for completion of this project, and I hope this committee will see fit to approve the budget requests.

Two other authorized flood control projects are of considerable importance to my area. These are the Sauvies Island Drainage District and the lower Columbia bank protection locations. Last summer substantial erosion damage was caused to existing flood protection structures in these areas from the bow wash of a group of Canadian destroyers which had been visiting Portland and were departing downstream. This incident initiated lengthy conversations between myself and the Corps of Engineers, and eventually, through the courtesy and cooperation of the corps, I made an inspection tour of the area. During the course of that tour, I was shown a number of locations in which sewer erosion had taken place due also to recurrent high water on the Willamette and Columbia Rivers. Emergency work, under Public Law 99, has been undertaken at these locations, at a cost of some $44,000 and $96,000 respectively. The emergency work will help to rebuild dike protection. In accord with customary corps forethought, it is work of a kind which will fit in with the permanent work that must be undertaken in these districts. But this highlights the importance and the necessity of beginning this permanent construction. The sum of $150,000 is needed this year in the Sauvies Island project to initiate construction. Nothing is now budgeted. A total of $400,000 is budgeted for the lower Columbia bank protection locations, but this falls short of this year's need by $200,000. I hope the committee will add the $150,000 for Sauvies Island, and recommend a total of $600,000, for the lower Columbia bank protection work. I might point out, parenthetically, that the benefit-to-cost ratio at Sauvies Island is in the order of 8 to 1—a sound investment by anyone's standards.

OPERATION AND MAINTENANCE

Under the heading of "Rehabilitation," which is, I understand, the new term for what we have previously thought of as deferred maintenance, the budget requests $50,000 for use at the Columbia River mouth. According to the information I have, a total of $460,000 is needed there and now. Though this location is clearly outside my district, its importance to the great ocean port of Portland cannot be overstated. I certainly hope the committee will approve this needed investment now, without waiting for rising costs to increase the amount of money needed to do the same work. I recommend the appropriation of $460,000 for this project.

At the same location, $2 million is called for in the budget for current O. & M. work. This request is adequate to the needs, and I urge the committee to grant it.

Listed as a separate project, but really part and parcel of the overall national investment in the commerce and navigation capabilities of the Columbia River,

is the existing 35-foot channel in the Columbia River from the mouth to Portland. Dredging on this channel this year will require $3,460,000—an increase of $725,000 over the budget estimate of $2,735,000.

A third segment of the basic navigation improvement program which deserves the support of this committee is operation and maintenance work on the now completed 27-foot channel from Vancouver to The Dalles. The budgeted amount of $1 million is $300,000 short of the needed total. Again, as in other projects where the capabilities of the corps and the needs of the situation have not fully been met by the budget requests, I know that this committee will be more concerned with true, long-range economy than with putting off until an inflated tomorrow what ought to be done today.

Much the same principle applies to the O. & M. work on the existing navigation project beginning at Portland and extending up the Willamette River. The project needs $435,000. The budget request is for $400,000. I urge the committee to appropriate the full amount needed.

I am gratified that the full amount needed for operation and maintenance at the locks and dam at Bonneville has been requested. This $2,074,000 should be approved by this committee, as should similar requests at McNary Dam and the Dalles Dam.

GENERAL INVESTIGATIONS

In past years members of the Oregon delegation have come before the committee asking for funds to make possible a study of the feasibility of a 40-foot channel from the Columbia River mouth to Portland. I am deeply gratified to be able, this year, to say that approval of this year's budget request of $31,900 will provide for the completion of this very important study. I hope the request is approved by the committee.

SUMMARY

In asking this distinguished committee to give Oregon projects its usual careful and understanding consideration, I have kept rigidly to the principle for which I believe this committee itself has always stood—the principle that public works are not a vast national "pork barrel" to be carved into equal bits for everybody, that public works, while they do contribute heavily to combating the unemployment which has plagued my State and other States, are not make-work projects. I have asked for funds for projects which are in themselves defensible as investments in the economy of a great region of our great Nation. The projects recommended above for your consideration are moneymaking, wealth-producing investments in the future.

Synopsis of recommendations of Hon. Edith Green, Member of Congress, to Appropriations Committee

Project	Amount budgeted	Needed	Increases requested by Mrs. Green
Construction, general flood control:			
Multnomah drainage District No. 1	(C) $590,000	$590,000	
Lower Columbia bank protection	(C) 400,000	600,000	$200,000
Sauvies Island	(C) 0	150,000	150,000
Navigation:			
Columbia Slough	(P) 0	20,000	20,000
Willamette River above Portland	(P) 0	45,000	45,000
Operation and maintenance:			
Navigation:			
Columbia River at mouth [1]	50,000	460,000	410,000
Do.[2]	2,000,000	2,000,000	
Columbia River mouth, Portland	2,735,000	3,460,000	725,000
Columbia River, Vancouver to Dalles	1,000,000	1,300,000	300,000
Willamette River above Portland	400,000	435,000	35,000
Bonneville lock and dam	2,074,000	2,074,000	
Investigations: Columbia River, 40-foot channel	31,900		

[1] Deferred maintenance.
[2] Operation and maintenance.

Mr. CANNON. Off the record.
(Discussion off the record.)

STATEMENT OF REPRESENTATIVE AL ULLMAN OF OREGON

Mr. ULLMAN. Mr. Chairman, we are indeed grateful for the consideration that you have given us in the past.

I am also going to ask that my statement be placed in the record at this point and will make only a few remarks due to the lateness of the hour.

Mr. CANNON. Your statement will be included in the record at this point.

(The statement referred to follows:)

STATEMENT OF CONGRESSMAN AL ULLMAN

Mr. Chairman and members of the subcommittee, I want to thank you for once again affording me this opportunity of appearing before you in defense of proposals for an adequate and continuing investment in the resource development program that is of such great importance to Oregon, the Pacific Northwest, and the Nation. I know that you have a great many people to hear and limited time to do so and I will take as little of that valuable time as I can. I have prepared a summarized table indicating the items of special interest to the people of my district and the amount I recommend for each of them. While I wish to add my strong endorsement to the recommendations being made by my colleagues from Oregon in both the House and the Senate, I will confine my own statement to those projects of particular concern to the Second District.

The public works expenditures which I am supporting are not only important to the development of our great resource heritage; they are, for the same reason, economically and fiscally sound. Land and water resources are basic to the growth potential of any economy. Their full development is essential to the continued economic expansion of any nation and the challenge of competitive coexistence emphasizes the need for their development in our own great country. Expenditures for this purpose are fiscally sound because these development projects not only to a large extent repay our investment in them directly, they also repay it indirectly through the higher levels of output that result and the consequent increased tax revenues that flow from such higher levels of income and output.

Gentlemen, a careful study of the President's budget proposals for public works in fiscal 1961 reveals that it is somewhat more adequate than in recent previous years, but still lacking in a number of important areas. With an eye, perhaps, on the political calendar, the administration has reluctantly given up its no-new-starts policy, but grudgingly so. It still seems to me to be looking backward over its shoulder rather than facing fully forward as the needs of the country demand. With regard to Oregon's Second District, these inadequacies relate particularly, as I shall indicate, to needed funds for planning and for the smaller projects. I urge that you give careful consideration to the full budget requests which I endorse and to the increases I want to recommend as a step toward getting our resource development program back on schedule.

ITEMS SUPPORTED WITHOUT CHANGE

As you will note on the summary table attached, I endorse wholeheartedly the full budget request without change for some 20 items of importance to central and eastern Oregon.

Army civil functions

These budget requests include the usable funds for continued construction work on the John Day lock and dam and the Dalles lock and dam and for operation and maintenance of the Dalles lock and dam and McNary lock and dam, all multiple-purpose projects on the Columbia River and all vital to the long-range program of full development of the basin. The budget request also includes the full amount necessary to complete the flood control project on the Malheur River which was begun, as you will recall, at the insistence of the Congress and over administration opposition, and the full amount necessary to complete a study of the flood control problem on the Grande Ronde River.

Bureau of Reclamation

For the Bureau of Reclamation the budget request includes the funds necessary to continue construction on the Crooked River and Klamath projects and to complete the definite plan report and carry out contract negotiations for the Bully Creek extension of the Vale project, the new start to which I alluded earlier in my statement. The President's budget proposal also includes sufficient funds to complete the Upper and Middle Snake River Basin study, to continue three other investigations now in progress, and to initiate two new studies, namely the Walla Walla project study, which includes the Milton-Freewater division, and the study of the Birch Creek diversion unit of the Umatilla project. Finally, the funds requested for the Bureau include the amounts necessary for operation and maintenance of two projects serving Oregon and adjoining States, the Boise and Klamath projects.

Bonneville Power Administration

With regard to the budget requests for the Bonneville Power Administration, I want to specifically endorse the amount requested for continued construction of the transmission line to Burns, Oreg. This line was begun last year and the funds asked will be sufficient to assure completion by November 1961. As the summary table shows, I also endorse the amounts requested for substations at Hempton Butte and Ione.

I have, in the interest of brevity, summarized these references to the budget requests which I support. They are all important items and their presence in the budget request of the President is itself testimony to their full justification. I will not take up further time in reiteration of the need for these appropriations but will turn my attention now to certain increases which I feel are needed over the budget proposals.

INCREASES IN FUNDS REQUESTED

Again, reference to the summary table I have prepared shows that I am asking the subcommittee to recommend increases for eight items of importance to the people of my district. I will comment very briefly on these.

Bureau of Reclamation

I am recommending one increase (item 17) in the budget request for the Bureau of Reclamation. Studies of the proposed western division of the Dalles project have been in progress for a number of years. With the declaration last year by the Oregon State engineer of a critical ground water shortage in the area of The Dalles, the need for this project became particularly acute. The feasibility report is currently being commented on by the affected States and Federal agencies and should be coming to the Congress in the near future. Authorizing legislation is now before the appropriate committees in both Houses of Congress. We are hopeful of enactment soon after transmission of the feasibility report. Because of the critical character of the water shortage in the area, two things are needed: the beginning of construction as soon as possible after authorization and completion of construction on an accelerated schedule if at all possible. For these reasons, I am asking you to include an additional item of $500,000 for this proposed project. I am advised that this amount would be usable in the first fiscal year under an accelerated schedule and that the total cost of such a schedule would not differ significantly from that of a normal schedule. In the event authorization is not secured, these funds would not be used in the coming fiscal year, of course, but their being available can be crucial to meeting the critical needs of the community for increased irrigation facilities.

Army Civil Functions

With regard to the Corps of Engineers, I am recommending the addition of funds for three projects which are authorized but not included in the President's budget proposals (items 4, 5, and 6). The Hood River small boat basin, which will increase the facilities for barge commerce on the Columbia, is eligible under the small authorized projects section of the budget and I ask that $361,000 be included for this purpose. I also recommend the addition of funds sufficient to carry forward and complete the preparation of the design memorandum on two authorized flood control projects—$25,200 for channel improvements on the John Day River below the town of Mount Vernon, Oreg., and along the North and South Forks, and $11,600 for needed channel reconstruction on Birch Creek where it flows through the town of Pilot Rock, Oreg.

I recommend an increase of $300,000 in the budget request for operation and maintenance of the Vancouver-to-The Dalles ship channel (item 7). The corps has indicated that they could utilize a total of $1,300,000 for the full maintenance of this new and important link in our inland water transportation system in the Pacific Northwest and I urge that this full amount be appropriated.

Finally, I recommend increases in three items relative to investigations and research (items 10, 12, and 13). The importance of continued study and planning to the job of carrying forward full development of our water resources cannot be overemphasized, as you know. This is true of all aspects of multiple-purpose development.

In view of this, I ask that funds be recommended for the initiation and completion of a study of the navigation potential of the Lower Snake River ($25,000) and for initiation of a study of the flood control needs on the McKay Creek ($10,000). Of even more importance is the increase I am asking for research on the fish passage problem. As you gentlemen are aware, the problem of fish passage at high dams is greatly complicating our program of full development of the Columbia River and its tributaries. Since fiscal 1960 the budget of the Corps of Engineers has included appropriations for studies to be carried out by the Fish and Wildlife Service in regard to the effects of water control projects on fish and wildlife resources. A large part of these studies are carried out in cooperation with the appropriate agencies in such states as Oregon and Washington. Because of the increasingly critical nature of this problem of fish passage, I urge the subcommittee to recommend an additional $500,000 to be used specifically for studies in this regard. The benefits to be derived from a successful solution of this problem are so great as to fully warrant such an accelerated program of research, and, as you know, the Middle Snake River area is one in which the problem is particularly pressing.

In conclusion let me note once more that I have spent relatively more time on the few increases recommended than on the larger and more numerous items where the President's budget requests are satisfactory. This is not intended to imply that one group of items is more or less important to my people than the other. I strongly urge that you recommend the full amount usable for every item listed on the summary table I have prepared. And, on behalf of the people of the Second District of Oregon, let me again thank you for this opportunity to appear and to commend to your serious consideration the sound and realistic program of resource development which I have so briefly outlined.

Summary statement, public works appropriations, fiscal 1961—Congressman Al Ullman, 2d District, Oregon

Item	Amount included in President's budget	Amount usable and recommended by Congressman Ullman
Army Corps of Engineers:		
Authorized and under construction:		
1. John Day lock and dam (multiple purpose)	[1] $37,000,000	$37,000,000
2. The Dalles lock and dam (multiple purpose)	1,900,000	1,900,000
3. Malheur River (flood control)	112,000	112,000
Authorized but not under construction:		
4. Hood River small boat basin (navigation)	[2] 0	361,000
5. John Day River (flood control)	0	26,200
6. Pilot Rock (flood control)	0	11,600
Operation and maintenance:		
7. Columbia River between Vancouver and The Dalles (navigation)	1,000,000	1,300,000
8. McNary lock and dam (multiple purpose)	1,878,000	1,878,000
9. The Dalles lock and dam (multiple purpose)	1,400,000	1,400,000
General investigations:		
10. Lower Snake River (navigation)	0	25,000
11. Grande Ronde River (flood control)	16,700	16,700
12. McKay Creek (flood control)	0	10,000
Research on fish passage problem:		
13. Fish and wildlife studies	500,000	1,000,000
Bureau of Reclamation:		
Authorized and under construction:		
14. Crooked River project	2,235,000	2,235,000
15. Klamath project (Oregon-California)	868,000	868,000
Authorized but not under construction:		
16. Vale project, Bully Creek	173,000	173,000
Proposed new project:		
17. The Dalles, western division	0	500,000

See footnotes at end of table.

Summary statement, public works appropriations, fiscal 1961—Congressman Al Ullman, 2d District, Oregon—Continued

Item	Amount included in President's budget	Amount usable and recommended by Congressman Ullman
Bureau of Reclamation—Continued		
Operation and maintenance:		
18. Boise project (Oregon-Idaho)	$365,000	$365,000
19. Klamath project (Oregon-California)	38,400	38,400
General investigations:		
20. Columbia River Basin (Oreg.-Wash.)	74,000	74,000
21. Upper and middle Snake River Basin (Oreg.-Idaho)	15,000	15,000
22. Upper Lost River storage unit (Klamath project)	84,500	84,500
23. Crooked River extension	52,000	52,000
24. Walla Walla project (including Milton-Freewater Division)[3]	45,000	45,000
25. Birch Creek diversion unit (Umatilla project)[3]	10,000	10,000
Bonneville Power Administration:		
26. Harney transmission line	1,052,000	1,052,000
27. Hempton Butte substation	72,000	72,000
28. Ione substation	53,000	53,000

[1] Revised by budget amendment from $41,800,000.
[2] Eligible under small authorized projects budget.
[3] New studies.

Mr. ULLMAN. Mr. Chairman, I have prepared a very brief statement and have submitted a table of projects included in the Second Congressional District, listing those that are in the budget and the minor changes that I have recommended.

We feel that although not completely adequate for the development of our resources, at least the budget takes care of our minimum needs. We do not feel at this time that we should be pressing too far beyond that, knowing the propensities of this Congress to keep down expenditures. I would like to say, however, that the resource expenditures in the Pacific Northwest in my opinion are the finest and the soundest expenditures that the Government of this country is making in the field of water development, and in the field of timber management. We are, generally, going to be paying more back into the Treasury, than we are taking out, and we hope that the situation continues.

Mr. CANNON. Thank you.

Mr. ULLMAN. Thank you so much for your consideration.

Mr. CANNON. The committee will stand adjourned until 2 o'clock this afternoon.

AFTERNOON SESSION

WEDNESDAY, APRIL 13, 1960.

OPPOSITION TO CROSS-FLORIDA BARGE CANAL

WITNESS

THOMAS B. HUTCHESON, CHIEF ENGINEER, SEABOARD AIR LINE RAILROAD CO.

Mr. CANNON. Association of American Railroads, Mr. Thomas B. Hutcheson. Will you be seated, Mr. Hutcheson. I believe you wish to be heard in opposition to the Cross-Florida Barge Canal.

Mr. HUTCHESON. That is right.

Mr. CANNON. You may proceed.

Mr. HUTCHESON. My name is Thomas B. Hutcheson, I am the chief engineer of the Seaboard Air Line Railroad Co., Richmond, Va. I

appear as chairman of zone 3—Committee on Waterways of the Association of American Railroads, a committee consisting of representatives of railroads operating in the southeastern United States which review waterway problems in its area. Those railroads opposing allocation of funds for the proposed Cross-Florida Barge Canal are: Atlantic Coast Line Railroad Co., Central of Georgia Railway Co., Chesapeake & Ohio Railway Co., Louisville & Nashville Railroad Co., Seaboard Air Line Railroad Co., Southern Railway System.

It will be recalled that zone 3—Committee on Waterways of the Association of American Railroads appeared before your committee in the first session of the present Congress. Mr. John T. Ward, assistant chief engineer for my company, and Dr. Charles A. Welsh, director of the graduate program in business administration and associate professor at Rollins College, Winter Park, Fla., testified on behalf of the Committee on Waterways of the AAR. Their testimony is shown on page 220 through page 236, part 3 of the record of hearings before the subcommittee of the Committee on Appropriations, House of Representatives, 86th Congress.

Mr. Ward introduced into the record a preliminary analysis of the restudy report of the Corps of Engineers, U.S. Army, on the Cross-Florida Barge Canal project dated January 10, 1958. This analysis is in the record beginning on page 221, and I urge your consideration of that analysis when considering the Cross-Florida Barge Canal.

Dr. Welsh testified that he had, at the request of the Association of American Railroads, prepared a critique of the economic restudy of the cross-Florida barge canal by the U.S. Corps of Engineers. He said that the critique was, at that time, in the process of printing and copies would be made available to the committee as soon as possible for their reference. I now have printed copies of Dr. Welsh's critique, the "Economic Prospects of the Cross-Florida Barge Canal Project." I respectfully request that this critique be printed in the record in order to make it available to the general public and to your committee for its consideration.

Mr. CANNON. The summary will be included in the record.

(The document referred to follows:)

PREFACE

This study endeavors to follow the pattern of analysis of developments in transportation established in theory by the Brookings Institution study of "National Transportation Policy" by Dearing and Owen, "Economics of Transportation" by Westmeyer, the 1955 report by the Presidential Advisory Committee on Transport Policy and Organization, the study by Haver and Renshaw on "The Future of the Illinois Waterway," the Hoover Commission task force report, and "The Measurement of the Benefits From Public Investment in Navigation Projects" by E. F. Renshaw as well as other similar surveys. Its particular subject is the "Economic Restudy of Cross-Florida Barge Canal," made in 1958 by the Corps of Engineers.

These studies along with numerous others which are cited endeavor to develop a balanced perspective with regard to the Nation's needs for transport policies which will promote and foster a symmetrical, competitive, economic, and efficient system of transportation as applied to specific projects. The railroads are the backbone of America's transportation system and their position as competitive common carries is necessarily central to the discussion of a transportation network and its problems. Other forms and facilities of transportation have in each instance an optimum competitive role to play in a dynamic transportation economy.

Because of the importance and the position of Federal expenditure policies, along with Federal regulatory policies, which apply differentially to the various phases of transportation, all those who are concerned with the maintenance of competitive equity and with economy in public investment, as well as with the impact of regulation and taxation are necessarily interested in the rationale of specific projects, of specific evaluation and ratemaking practices and in the maintenance, in an age of inflation, of public economy. It is to students of these issues as well as to all interested parties that this study is addressed.

Every analyst of transportation problems is deeply aware of the magnificent contribution which the Corps of Engineers had made and continues to make in the development, construction, and supervision of multipurpose and special-purpose civil works projects. The vast scope and scale of the undertakings and responsibilities of the corps bespeak the significance of their role. In the nature of the case, however, the Corps of Engineers is not charged with analysis of the underlying problems of general economy entailed in civil works projects. They are not concerned with the question, "Where is the money coming from?" nor with questions such as: "Can the funds be afforded?" "Can they be put to better use?" "Should public policy go further, or not so far in this particular direction?"

The economic restudy does not undertake an analysis of the total longrun demand-supply relationships, including those qualitative factors of economic analysis, prudent investment theory, accounting theory, statistical theory, and marketing theory which constitute the ultimate premises upon which general evaluation must rest. In this respect, the valuations in the economic restudy are necessarily technical and noncommercial, by definition not guided by the competitive considerations of the capital market, nor by alternative opportunity costs involved in particular applications of funds, nor by those techniques of forecasting, for example, which are open to the broader economic view. Indeed, some of the relatively simple straight-line projection techniques upon which the economic restudy seeks to rely are necessarily and inherently inadequate from the standpoint of economics.

From this standpoint it is the purpose of this study to round out the technically limited engineering view of the economic restudy by pausing to look upon this picture, and on this from several perspectives, including the effects of the project upon other transport media, upon general market costs and benefits, and upon the longrun proportional development of the area in the national economy.

SUMMARY OF ANALYSIS

This analysis presents the results of an examination of the "Economic Restudy of the Cross-Florida Barge Canal" made by the Corps of Engineers, U.S. Army, dated January 10, 1958, and made available publicly in August 1958. As set forth in detail in the text which follows, it is evident that:

1. If the national defense values of the project are adjudged to be sufficiently great to be the decisive issues by those charged with that responsibility, then no cost entailed in the construction of the project is too great, and its creation requires no economic justification whatsoever. Further discussion of economic justification or lack of it, then becomes irrelevant and superfluous.

However, it has been stated by the Joint Chiefs of Staff, as quoted by the corps in the economic restudy, that "* * * the military aspects of the proposed problem are so limited that they should not be used as the primary basis for decision on this matter."

It has been stated further by the corps that "* * * the national defense values of civil waterways propects are not susceptible of monetary evaluation under present conditions. Accordingly, no monetary benefit has been assigned to any national defense value of this project."

Hence, under these conditions, because an economic evaluation is attempted by the corps as the basis for its recommendation that the canal be constructed, the purely economic issues are open for discussion.

2. No discussion of the defense values of the project is attempted herein.

3. The economic aspects of the Cross-Florida Barge Canal project are therefore reviewed on the same basis as any other civil works project; i.e. with respect to the nature, validity, and accuracy of the economic considerations which have been advanced for or against it. On this strictly economic basis, the economic restudy fails to establish an economic justification for the Cross-Florida Barge Canal.

4. Many of the valuation procedures employed in the economic restudy are deficient and unrealistic and would require revision before a comprehensively accurate appraisal could be made.

Savings are not computed on the basis of total cost, and comparisons are not made on a correct basis to determine relative rates for traffic.

No study is made of the consequences of diversion of traffic on the economy of the area, or of the balance of transport services now available.

5. Possibilities are suggested but not explored fully in the economic restudy respecting the creation of substantial and irreversible risks of property damage resulting from the manipulation of flow levels and seepage in the area of the proposed canal. Certain of these potential risks could conceivably involve not only the immediate area, but the lake levels, water distribution and supply of central and southern Florida. Both property values, tax values, and the economic values associated with recreational and tourist industries could be affected adversely by unforeseen disturbances or pollution of water levels and supply resulting from the construction and operation or usage of the canal.

6. Considered as an investment of public money in a civil project, expending tax funds which have alternative uses, the proposed canal is not an economic enterprise capable of producing a net yield to the capital which is to be invested in it, either in the form of benefits or savings, or as a growth stimulus to the area.

7. Unless users of the canal are to be charged at rates based on the full costs of its construction, operation, and maintenance, no adequate economic justification for its construction is to be found in the economic restudy.

8. Existing media of transportation possibly supplemented by pipelines for the transportation of petroleum possess adequate present and prospective capacity to meet the present and probable future needs of the area at minimal costs and optimal rates.

In consequence, the proposed canal must be considered to be economically unjustifiable and without those characteristics of interest, convenience, and necessity needed to support appropriation of public funds for its construction.

Mr. HUTCHESON. The conclusions reached by Dr. Welsh are set forth in his statement shown on pages 234 and 235 of part 3 of the record of the first session's hearing. Dr. Welsh's study and the preliminary analysis prepared by zone 3, committee on waterways, Association of American Railroads, indicate conclusively that the proposed canal does not warrant further consideration by this Appropriations Committee. To my knowledge, nothing contained in these reports has been disputed and no testimony, other than unsupported statements, have been produced to refute the analysis and critique presented to this committee by the Association of American Railroads.

Before further consideration is given this project, there are four areas pointed up in the above referred to Association of American Railroads committee's analysis and Dr. Welsh's critique which require further investigation. These areas are the economic justification for the project, the defense value of the project, the undocumented cost of replacing water lost through leakage and lockage, and the physical effect of the canal construction upon adjacent property.

The economic justification, including prospective freight movement and other claims of usage included in the economic restudy, are shown by the studies of Dr. Welsh and the Association of American Railroads to the much in excess of those which should properly be used. Even so, a cost-benefit ratio of 1.05 to 1, barely greater than unity, is attained with these overstated claims. The average annual transportation benefits and annual costs are shown to be considerably overstated in the economic restudy. A more likely ratio of cost-to-benefit as shown by those studies appears to be on the order of 0.25 to 1, using realistic assumptions.

A marginal project such as this certainly deserves the careful consideration of your committee, and the committee is entitled to receive full information from the Corps of Engineers. It will be recalled from page 236 of the record that, on the motion of Congressman Jensen, the committee directed the Corps of Engineers to furnish it, the railroads and others interested with information as to the traffic which the corps stated would move upon the barge canal. The information in response was of no use whatsoever, and it is impossible to determine from that information just how the corps arrived at the transportation savings claimed to accrue from construction of the canal. The information needed for proper analysis included the following:

(1) Point-to-point movement of traffic by commodities.

(2) Transfer charges and terminal charges, together with estimated inland haul.

(3) Barge rate factors used by the corps to compare with rates by other modes of transportation to arrive at the purported benefits.

After repeated requests, the corps has not furnished this information up to the present time. Both the committee and the public are entitled to this information to properly evaluate the project.

Secondly, much has been said about the defense values of this project. Authorization was recommended in 1942 on the basis of its wartime value. The military aspect has apparently changed since 1942, for the restudy report includes as appendix 3 letter dated May 29, 1951, from Mr. Robert A. Lovett, then Deputy Secretary of Defense, to the President which deals with the Cross-Florida Barge Canal and the Florida Ship Canal, in which it was concluded by the Joint Chiefs of Staff that the Florida Barge Canal was even less necessary for national defense than the Florida Ship Canal. The Joint Chiefs of Staff concluded that the military aspects of the proposed canal are so limited that they should not be used as a primary basis for consideration. On this point, the Public Works Committee has never had an opportunity to consider this project except as a defense project. The original authorization by the Public Works Committee was made based upon defense values. We do not believe that this is adequate justification for the appropriation of Federal funds for the construction of this canal as a civil works project.

Mr. JENSEN. Will you please read that last sentence again?

Mr. HUTCHESON. We do not believe that this is adequate justification for the appropriation of Federal funds for the construction of this canal as a civil works project.

Mr. JENSEN. Because of what?

Mr. HUTCHESON. It has never been justified on that basis but was justified as a military project before that committee.

A third consideration, and one which the economic restudy shows no evidence of a conclusive study having been made, has to do with the loss of water through leakage and lockage. It is a well-known fact that the pumping of water is an expensive process and that large volumes of water are required in lockage. The geological reports of the proposed Trans-Florida Barge Canal state that this

canal traverses an area underlaid with a highly porous and permeable limerock. The economic restudy, in paragraph 10, states that water lost in the summit pool by lockage and leakage would be replaced by pumping from the Eureka Pool. No information is contained in the report as to the quantities of water required to replace that lost, and there is no evidence in the study that sufficient investigation has been made to determine these quantities. This factor could adversely affect a marginal project where the benefit-cost ratio is only 1.05 to 1. The behavior of water in these sand and limestone areas requires detailed investigation to predict possible results of any changed condition. Your committee and the general public is entitled to a fully documented study to show that the corps' estimate of operating cost is adequate.

A fourth consideration which does not appear to have received the exhaustive study commensurate with its seriousness is the possibility of physical damage to property and economic values in central Florida resulting from manipulation of flow levels and of seepage in the canal area. Property values, tax values and economic factors associated with recreation and tourist industry could be adversely affected by unforeseen results of disturbances in water levels and from pollution of water supply resulting from the construction, operation, and usage of the canal. The Corps of Engineers has not made available a conclusive study of this aspect of the matter.

In respect of the pollution, it is well known that many of the southern harbor areas, beaches and waterways areas suffer from pollution by substances either transported by vessels or from sewage, bilge water, leakage of petroleum and asphalt products, etc., some of it as a result of improper activities by vessel operators. It is reasonable to expect that such pollution would occur in the proposed canal, tending to pollute ground water receiving such waste and leakage.

The proposed barge canal is designed to traverse a highly porous and permeable rock, the voids of which are filled with ground water. The summit pool is designed to retain water between locks at a maximum of 55 feet and a minimum elevation of 40 feet, which is said to be the range through which the ground water table in this area has fluctuated in the past. The Eureka lock will maintain water between 38 and 40 feet, approximately 20 feet above the reported ground water at the lock location. The St. Johns lock will retain water at an elevation of approximately 20 feet. The ground water elevation at the lock location is reported at mean sea level, leaving a head of approximately 20 feet on the ground water at the lock. The possibility of damage resulting from these changes of the head on the ground water is too serious to be overlooked, and the possibility of leakage is pointed out by the corps in its report.

An indication of what might occur is to be found in the area of the Jim Woodruff lock and dam on the Chattahoochee, located south of its junction with the Flint. This dam was completed by the U.S. Government as a navigation and power project in 1957. A normal pool elevation of 77 feet above sea level is maintained, thus creating Seminole Lake.

Seminole County lying between the Chattahoochee and Flint Rivers, not flooded by Seminole Lake, is relatively low as compared to surrounding territory. This area has been affected subsequent to the impounding of Seminole Lake. Prior to the filling, there were numerous lime sinkholes in Seminole County. These sinkholes, many of which were flooded out by the lake, varied in size from small areas of a few hundred square yards up to the largest, known as Lake Silver and formerly having an area of approximately 30 acres. Since the impounding, an observer familiar with the territory has reported that about 10 of these sinkholes within a distance of 3 miles from the reservoir have increased in size. Silver Lake has increased from 30 acres to an estimated 350 acres. Another sinkhole, which was a distance of 3 miles from Seminole Lake shores, about 2 acres in diameter prior to the impounding, has increased to approximately 40 acres. This new lake has flooded out the county highway for some distance. Reports are to the effect that the ground water level in parts of Seminole County has risen considerably above the lake elevation and that sinkholes have been enlarged as far as 10 miles from its shores. Landowners in the area have made claims and been paid damages due to the flooding of lands and the creation of the new lakes on their properties attributed to the impounding of Seminole Lake.

The underlying limestones in Seminole County are probably quite similar to those in the barge canal area, both being porous. There is every reason to believe that impounding the waters of Seminole Lake has increased the size of sinkholes and raised the ground water level near the lake, thus saturating the soil and the lime base. The resulting change in gradient of the drainage and capillary action may account for this high ground water level.

A similar situation, if it occurred in central Florida, especially where there are highly developed properties along the lakes near the proposed canal, would create great damage and would subject the taxpayers of Florida to claims for the damage done, since terms of the project require that local interests guarantee to protect the United States from claims due to its construction.

I submit, gentlemen, that the proposed Florida Canal is a very marginal project on the basis of the corps' latest analysis and a very submarginal project as shown by the analysis which has been prepared by the railroads and in the critique prepared by Dr. Welsh. In view of the many hazards which are involved in the construction of this submarginal project, I highly recommend that no Federal funds of any character be appropriated for further surveying, engineering or construction of this project.

Mr. CANNON. Are there any questions?

Mr. JENSEN. Not other than to say that I am glad the gentleman has appeared before the committee to explain the railroad people's opposition to this proposed project. The only way the committee can know how best to appropriate money is to get both sides of the story.

Mr. CANNON. We very much appreciate your contribution.

Mr. HUTCHESON. Thank you, sir.

Mr. CANNON. It will be of service to the committee. Thank you, Mr. Hutcheson.

WEDNESDAY, APRIL 13, 1960.

BARKLEY DAM-KENTUCKY WOODLANDS NATIONAL REFUGE

WITNESS

ALBERT L. HEISE, KENTUCKY ARCHERS ASSOCIATION

Mr. CANNON. Dr. Heise. Doctor, you wish to be heard on the Barkley Dam?

Dr. HEISE. Yes, sir.

Mr. CANNON. The committee will be glad to hear you.

Dr. HEISE. Mr. Chairman, members of the committee, my name is Albert L. Heise and I am a practicing dentist in Shelbyville, Ky. I speak to you as a representative of the Kentucky Archers Association, a statewide organization of 21 affiliated archery clubs, having a total membership of over 500.

The Kentucky Woodlands National Wildlife Refuge is directly responsible for the present-day success and popularity of bowhunting in this State.

Prior to 1950, archery was largely an unorganized sport for a few individuals. Some small game was hunted by bow but big game hunting was restricted by law. The bowhunter, if he wanted to hunt deer, was forced to go to other States where open seasons prevailed.

In 1950, the U.S. Fish and Wildlife Service and Kentucky Department of Fish and Wildlife Resources recogized the potential of Kentucky Woodlands and offered sportsmen the opportunity to harvest surplus game. A regulated hunt for deer and small game was organized for bowhunters during the fall of 1950, and the practice has continued until the present. The first hunt attracted 12 archers; by 1955, nearly 500 were participating.

These hunts stimulated interest in bowhunting and archery clubs were organized throughout the State. There are at least 1,200 archers in Kentucky today and the number continues to grow. It is evident that bowhunting is here to stay.

Kentucky is now attracting hunters from the same States which used to supply hunting for Kentuckians. Records show that hunters from neighboring States and as far away as Michigan, Texas, and Arizona have hunted on the Kentucky Woodlands Refuge.

The Woodlands is supplying multipurpose benefits. Bowhunting is only one facet of refuge functions. It has increased turkey populations and attracted large numbers of waterfowl. It has introduced and developed new wildlife species, including the unique European fallow deer and the English stag. It has been the nucleus for the establishment of deer herds throughout Kentucky to the extent that by 1959, 33 counties were open to both bow and gun hunting. It has provided sport and recreation for large numbers of our citizens and enriched our economy.

We recognize Kentucky Woodlands as vitally necessary for the continuance and preservation of wildlife. With inundation of Cumberland River bottoms, the prime habitat for deer, turkey, and other wildlife will be lost. Wildlife values cannot be maintained when necessary space, food, and cover are destroyed. For this reason, the ac-

quisition of inholdings is absolutely essential for continued efficient refuge operations.

We urge that the Kentucky Woodlands Refuge be allowed to continue as an efficient wildlife unit. We are in full agreement with the refuge land replacement plan proposed by the U.S. Fish and Wildlife Service. It is our hope that this committee will approve this plan for immediate application.

Attached to this statement is a resolution signed by the officials of our association endorsing the preservation of Kentucky Woodlands National Wildlife Refuge.

KENTUCKY ARCHERS ASSOCIATION,
Madisonville, Ky.

Dr. A. L. HEISE,
Shelbyville, Ky.

DEAR DR. HEISE: As president of the Kentucky Archers Association, I authorize you to express the opinions and desires of this organization concerning the land acquisition policy of the U.S. Fish and Wildlife Service at Kentucky Woodlands National Wildlife Refuge and the Cross Creeks Refuge.

We understand that with the construction of Barkley Lake and Dam, major wildlife losses will result at the national refuge. To partially replace these losses, the U.S. Fish and Wildlife Service proposes that certain marginal lands and inholdings at Kentucky Woodlands be acquired by the Corps of Engineers and transferred to the U.S. Fish and Wildlife Service for administration. Furthermore, to replace lost waterfowl habitat, the U.S. Fish and Wildlife Service proposes that certain lands be purchased by the U.S. Corps of Engineers, between miles 90 and 102 on the Cumberland River, and transferred to the U.S. Fish and Wildlife Service for administration.

The Kentucky Archers Association is made up of 21 clubs and has a total membership of 500. At our annual meeting held at Bardstown, Ky., on March 1, 1958, it was fully discussed, acted upon and unanimously approved that the association fully endorse the land acquisition policy of the U.S. Fish and Wildlife Service, and would so express itself.

Yours truly,

CHARLES LEE, *President*

Mr. CANNON. Thank you, Dr. Heise.

Dr. HEISE. Thank you, Mr. Chairman.

WEDNESDAY, APRIL 13, 1960.

MICHIGAN NAVIGATION PROJECTS

WITNESSES

HON. ROBERT P. GRIFFIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN
HON. VICTOR A. KNOX, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN
KEITH WILSON, DIRECTOR, MICHIGAN STATE WATERWAYS COMMISSION
RAYMOND LAWRENCE, CHIEF ENGINEER, MICHIGAN STATE WATERWAYS COMMISSION

Mr. CANNON. Michigan State Waterways Commission, Director Keith Wilson. Mr. Wilson, you wish to talk about the Michigan navigation projects?

Mr. WILSON. Yes, sir.

Mr. CANNON. Before you start, I notice the witness is accompanied

by Congressman Knox and Congressman Griffin. Congressman Knox, you do not desire to be heard?

Mr. KNOX. Very briefly for a few moments after Mr. Wilson makes his statements.

Mr. CANNON. Mr. Wilson.

Mr. WILSON. Mr. Chairman, I have appeared before your committee for several years now, testifying for various projects in Michigan, among which have been a number of recreational harbors of refuge. I have always felt I have not been able to express to you our real need for these harbors.

I thought today I would like to take a few moments to outline to you the situation that existed in Michigan before Congress authorized certain recreational harbors and the situation that exists now that several of them have been completed.

In 1945 the shoreline of Lake Huron appeared in this manner, with harbors at intervals shown there throughout the lake. The distance for the recreational boatmen was from Port Huron to Harbor Beach, 63 miles; Harbor Beach to Bay City was 102 miles; Harbor Beach to Alpena was 97 miles; from Alpena to Presque Ile was 37 miles; from Presque Ile to Cheboygan, 58 miles; and because of this condition in 1945 Congress authorized a network of recreational harbors in Michigan to break these distances into 30-mile increments.

A project was authorized at Port Sanilac, Port Austin, Oscode, Harrisville, Hammond Bay. Congress regularly since that time has made appropriations to allow completion of the Port Sanilac Harbor, Port Austin Harbor, Oscode Harbor, and Harrisville Harbor. There is only one harbor on Lake Huron for which funds are now needed and requested, which is Hammond Bay.

By completion of these harbors you have reduced distances for recreational traffic to regular 30-mile increments—30, 30, 30, 28, about 20, 30, 30. This is the last major gap in our network which on Lake Huron we feel is deserving of consideration and appropriation.

On Lake Superior the same situation existed. In 1945 the distance from Sault Ste. Marie to Grand Marais was 92 miles. From Grand Marais to Munising was 40 miles. From Munising to Marquette was 42 miles. From Marquette to the Keweenaw Waterway was 69 miles. There were comparable distances throughout our coastline. In 1945, as part of the same authorization measure, Congress authorized projects at Whitefish Point, at Little Lake, at Big Bay, at Gay, at Lac La Belle, Eagle Harbor, and Black River. The goal was the same, to reduce the distances to approximately 30-mile intervals.

Since 1945 Congress has completed or authorized completion of Whitefish, Big Bay, Gay, Lac La Belle, Eagle Harbor, and Black River. The net effect of this is to reduce distances throughout Lake Superior to 30 miles except at one spot, which is at the very entrance of the lake. Substantially all traffic will come up the St. Marys River to the Soo Locks and enter Lake Superior waters in this manner. There is this one point of 60 miles here, and bisecting this distance is Little Lake Refuge Harbor, which is authorized and for which we seek appropriations to start this year.

Otherwise, the recreational network has been completed in Michigan. We have the completely protected shoreline. The distance across Lake Superior is in excess of 200 miles, and it does not take too much

of a storm to bring a very heavy sea so that the necessity of 30-mile distances or a reduction to about 2 hours' travel time to safety is very necessary in the best interests of the safety of boatmen. The November storms in Michigan are infamous.

In addition to our recreational harbor request, we are asking for deferred maintenance funds for 12 projects in Michigan and for studies already authorized at Cedar River, Cross Village, Gladstone Harbor, Tittabawassee River, and Traverse City Harbor. It is our desire to not only complete the existing recreational network, but conduct a regular system of investigating the needs of our shipping interests and recreational users throughout the State. Naturally, all projects that are investigated are not worthy of authorization or appropriations by Congress, but until the study is completed we are not certain.

For instance, the economy of Gladstone has been depressed because of lack of shipping since the iron ore has been expended in that area. Now there is a major oil production center there, which would greatly stimulate the local economy if sufficient depth were provided. Following the congressional procedure, a study is required to be completed before project recommendation can be made.

I have a prepared statement summary of our testimony here, which I would like to make part of the record, with your permission. Otherwise, I would like to turn the rest of the proceedings over to the Congressmen from Michigan, Congressmen Griffin and Knox, to testify in behalf of our appropriations.

Mr. CANNON. Your statement will be made part of the record at this point.

(Mr. Wilson's statement follows:)

MICHIGAN'S NAVIGATION PROGRAM

This year, as in past years, the Michigan State Waterways Commission has caused a survey of Michigan harbors to be completed in order that the present status and needs of each individual harbor project can be determined. From these individual reports, the minimum needs of Michigan's navigational interests, both recreational and commercial, have been determined and are provided herewith as the official request of the State of Michigan for Federal appropriations for the purposes herein indicated. The Waterways Commission is seeking funds for 4 new starts, 12 deferred maintenance projects, continuation of 2 projects presently under construction, maintenance dredging of 3 projects, and funds for 6 harbor studies. The total appropriations requested amount to $37,603,000.

The Commission is seeking $4,230,000 for 12 deferred maintenance and 3 maintenance dredging projects in this State which we find to be qualified for appropriations and, in the interest of continued use of these harbors, this appropriation is considered essential. This agency prefers to have Congress and the Bureau of the Budget establish an annual program to provide the Corps of Engineers with a specific sum to be used solely for the rehabilitation and maintenance of projects classified as deferred maintenance in nature. It is our opinion that an annual appropriation of approximately $3 million is required for Michigan for at least the next 3 years and that thereafter this appropriation could be reduced by 50 percent and still permit adequate maintenance of existing navigational facilities in this State. However, until such a program is instituted, this agency feels it is our responsibility to provide informaton to the Bureau of the Budget and the Congress on Mchigan's present needs in order that appropriations can be provided to take care of our more pressing deferred maintenance projects.

A review of the navigation projects of this State indicates that the majority of them were completed between 1875 and 1915 and that little, if any, work has been accomplished in maintenance of the breakwater and revetment structures since the projects were completed. We estimate that there is a backlog of de-

ferred maintenance projects in Michigan in excess of $8 million and that this figure will continue to grow each year until a regular program is instituted by Congress and the Bureau of the Budget to provide annual deferred maintenance funds for these projects.

Of the four new starts recommended by the Waterways Commission and involving a total appropriation of $2,550,000, two are recreational and two commercial in nature. The commercial new starts total $1,650,000 and the recreational projects involve a total appropriation of $900,000. Both of the recreational projects have been authorized since 1945 and are now in all respects ready for construction.

Alphabetically listed below and not on the basis of need are the projects in Michigan requiring congressional appropriations for the next fiscal year. We wish to remind you that the estimated costs in each case are our estimates and should be verified by the Corps of Engineers before actual appropriations action is taken.

Au Sable Harbor (maintenance dredging): Construction of the harbor-of-refuge at the Au Sable River, Oscoda, Mich., was completed in 1958. The project called for the construction of two parallel jetties and the dredging of an entrance channel 12 feet deep and a channel between the piers to a depth of 10 feet, upstream to the State highway bridge. Since completion of the project, shoaling has occurred at the harbor entrance to the extent that craft drawing over 4 feet cannot gain access to the harbor, and, in times of storm, this controlling depth is further reduced. Immediate emergency dredging of this harbor is required if it is to continue to serve as a haven of refuge for recreational craft. Our estimated cost of this dredging is $40,000

Charlevoix Harbor (deferred maintenance): The south revetments at the entrance channel and in the channel between Round Lake and Lake Charlevoix are failing and in need of immediate repair. These areas of work are indicated by sections I and J of the project print. Our estimated cost of these repairs is 260,000

Frankfort Harbor (deferred maintenance): Sections G and H of the south breakwater, consisting of rockfilled crib construction, are failing to the extent that a bad ice shove or heavy storm condition will cause their complete failure. Both sections were constructed in the period 1928–31 and have not been maintained for a period of approximately 30 years. Our estimate of the cost of these repairs is 380,000

Grand Haven Harbor (deferred maintenance): Sections L and M of the south revetment are in a bad state of disrepair and need immediate remedial action. The substructures of this revetment were completed in 1858, over 100 years ago, and have received only minor maintenance since that time. The estimated cost of these repairs is 500,000

Grand Marais Harbor (completion funds): Congress, at the last session, provided the sum of $300,000 to begin initial construction of a pier extension to the west pier approximately 800 feet in length. Completion funds for this work are now required totaling 732,000

Grand Marais Harbor (deferred maintenance): The pile dike at this harbor designated as section D on the project print and completed in 1907 is in need of maintenance work. In addition, dredging is required in the entrance channel to restore project depths of 18 feet in lieu of present controlling depths of about 10 feet. Estimated cost 300,000

Great Lakes connecting channels (continuation funds): The St. Lawrence Seaway was completed this year but, at the rate of the present construction which has already been delayed by insufficient funds, the connecting channels will not be completed before 1962. This will allow a period of 3 years to elapse between the completion of the seaway and the time when the Great Lakes area west of Lake Erie will be able to derive full benefit from the seaway. Even this schedule will be placed in doubt if sufficient funds for this project are not appropriated this year. In order to realize the 1962 completion date, increased appropriations will be required annually for the next 3 years. We urgently recommend the appropriation of $29 million for this project for the request year 30,000,000

Hammond Bay Harbor-of-Refuge (new start): This project was authorized by Congress in 1945 as a major link in Michigan's refuge network. The continued growth of our boating population now makes completion of this project a necessity. Funds were appropriated by Congress at the last session for preconstruction planning, making this project in all respects ready for construction. A partial appropriation equal to approximately 50 percent of the total cost of construction is requested $450,000

Harbor Beach Harbor (deferred maintenance): This is the only commercial refuge harbor on Lake Huron and, as such, is essential to shipping interest. For that reason, repairs to section F of the south breakwater, which have been required for more than 15 years, should be completed. Estimated cost of this work is 250,000

Holland Harbor (deferred maintenance): Approximately 800 feet of the north revetment adjacent to the entrance channel is visibly failing and in need of repair or replacement. The failing area is generally equal to sections E, F and G, which were originally constructed as early as 1868. Estimated cost 320,000

Little Lake Harbor-of-Refuge (new construction): Engineering funds were granted by Congress for the fiscal year ending June 30, 1959, thereby making construction of this project possible during the request year. Construction funds for this project are urgently needed to complete one missing link in Michigan's marine highway, thereby opening the entire Michigan coastline of Lake Superior to extended recreational cruising. Estimated cost 450,000

Ludington Harbor (deferred maintenance): 670 feet of north revetment, section J, is failing primarily due to old age. The substructure was completed in 1877 and, except for placing a new superstructure thereon in 1928, has not been altered since. Partial completion of repairs to this structure was authorized for the current fiscal year, and the balance is urgently needed for this project 280,000

Manistee Bridge (new construction): A report on the replacement of the Maple Street Bridge under the Truman-Hobbs Act has recently been completed by the Corps of Engineers, and is now before the Public Works Committees of Congress. The report recommends Federal assistance in replacement of this bridge providing a local cash contribution of $154,000 is furnished by local interests. The city of Manistee will hold a special election in April to receive bonding authorization in this amount and is now actively engaged in an areawide public relations campaign on this matter. Replacement of the existing bridge will permit the straightening of the entrance channel into Manistee Lake which is presently limiting navigation to the smaller lake vessels at an increased shipping cost to commercial interests in the Manistee area. Final engineering on the bridge structure can be completed and initial construction commenced within the request year 300,000

Manistee Harbor (deferred maintenance): Sections G and H of the north revetment are badly tilted and threaten to fail completely if not soon repaired. Section G was completed in 1909 while section H is relatively new, having been completed in 1928. Initial repairs to this structure were authorized by Congress at the last session and continuation funds are necessary to complete this work 250,000

Manistique Harbor (deferred maintenance): Approximately 900 feet of the east breakwater is visibly failing and in need of repair. This portion of the breakwater was completed in 1913 with the superstructure added at the same time. The construction is of rock-filled cribbing which should not be repaired or modified. The area of the work involved corresponds to sections A, B, and C on the project print 400,000

Muskegon Harbor (deferred maintenance): The area of the north pier known as sections I and J, 703 feet in length, are failing and near collapse. If immediate repair of this revetment is not accomplished, a failure could well occur during the height of the navigation season which would render the harbor inaccessible to commercial shipping. The estimated cost of these repairs is 235,000

Poe lock (new construction): Free construction planning funds in the amount of $358,000 were appropriated by Congress for fiscal year of 1959, but no funds yet had been made available for construction. The total estimated cost of this project, approximately $40,000,000, and planning schedules indicate it should be completed no later than 1964. Initial appropriation required for this necessary project is hereby requested $1,350,000

Port Sanilac Harbor (maintenance dredging): The entrance channel and the harbor basin at this project are in need of maintenance dredging, not having been maintained since completion of the harbor in 1950. Estimated cost of this work is 50,000

St. Joseph Harbor (deferred maintenance): Sections D, E, and F of the north revetment have failed and are in need of repair. These sections were all completed in various stages between 1836 and 1897 and should be replaced. Estimated cost of this work 600,000

St. Joseph River (maintenance dredging): This recreational project has not been maintained since 1915 and requires the dredging of the river and removal of snags for a distance of about 22 miles. This channel receives extensive use by recreational craft but is not navigable for any appreciable distances because of snags and shoals throughout the river. Estimated cost of completion 125,000

South Haven Harbor (deferred maintenance): Sections C and D, comprising approximately 600 feet of the north breakwater, have failed and should be repaired or replaced. These structures were completed in 1874 with a superstructure added in 1930 and little, if any, money has been expended on them since that date for maintenance and repair. Estimated cost of repairs 240,000

Total navigation needs 37,512,000

STUDIES

Cedar River: This community is located approximately midway between the harbors of Escanaba and Menominee on Green Bay, bisecting this 60-mile water distance. At the present time, the ruined remains of an old Federal project exist at the outlet to the river, but they are not sufficient to provide suitable protection to recreational and fishing craft. It is requested that funds to complete the study of this harbor authorized by Congress be appropriated for the next fiscal year $10,000

Cross Village: This community is located between Harbor Springs and Mackinaw City, a distance of approximately 50 miles by water. Because of the large, open expanse of water surrounding the cruising lands in this area, and because recreational craft must pass through the Lansing Shoal, 6 miles offshore, sudden storms, or heavy ground swells present a very serious problem to recreational craft. The remains of a Federal breakwater exist at the village and could be utilized as a portion of the refuge facility. Estimated cost 15,000

Gladstone Harbor: This harbor is located 7½ miles north of Escanaba and is a completely landlocked harbor. Because of shallow waters through the center of the harbor, existing commercial navigation is extremely limited in draft and a Federal channel is required to permit ingress and egress of larger vessels. A study of this project was authorized by Congress in 1959 and should be funded 15,000

South Shore, Lake Huron: This is a continuing study which has been funded for the past 3 years by Congress. The purpose of this study is to determine whether or not there is a need for additional recreational harbors on the Michigan shore of Lake Huron. The cost of this study is 15,100

Tittabawassee River: A study is currently underway by the Detroit District, Corps of Engineers, to determine the feasibility of constructing a channel on the Tittabawassee River between Saginaw and Midland for the purpose of allowing barge traffic to utilize this water route. Completion of this study is necessary in the next fiscal year at an estimated cost of 26,300

Traverse City Harbor: A study is currently under way at the Refuge Harbor at Greilickville, on Grand Traverse Bay, Lake Michigan, to determine what improvements, if any, are required at this project. Completion funds for the study are requested	$9,600
Total study funds	91,000
Total appropriation request	37,603,000

Mr. CANNON. We are glad to have Congressman Griffin and Congressman Knox with us this afternoon. They appear with Director Wilson in behalf of the Michigan navigation projects. Congressman Griffin, would you care to make a statement at this time?

STATEMENT OF REPRESENTATIVE ROBERT P. GRIFFIN OF MICHIGAN

Mr. GRIFFIN. Thank you very much, Mr. Chairman. My statement will be very brief. I appear here to lend support to the statement and request of the Michigan State Waterways Commission of which Mr. Wilson is the director.

The commission has done an excellent job in the State of Michigan. Our State has the longest shoreline of any State in the Nation. We are, of course, very interested in harbor development, particularly in view of the St. Lawrence Seaway. I represent Michigan's Ninth District which was formerly represented by the Honorable Albert Engel, who served with distinction for so many years as a member of your committee. As you know, he passed away this last year.

Mr. CANNON. It was a matter of deep regret to me and to the members of the committee, Mr. Taber and those who served with him. He rendered distinguished service here.

He was a very valuable man during the war. We regretted to hear of his death.

Mr. GRIFFIN. I share the chairman's high opinion of Mr. Engel. His son was a classmate of mine at Michigan Law School. We are very good friends. Mr. Engel's widow is a wonderful woman. I believe the chairman probably knew her, too. She lives now in Lake City, in my district, where she continues to operate a Christmas tree farm.

Mr. Engel was very interested in the harbor projects in the Ninth District and all through Michigan.

Included in the statement of the Michigan State Waterways Commission, which is being filed, are requests for deferred maintenance funds, particularly at Muskegon, Manistee Ludington, and Frankfort, to repair harbors projects that are there and in which the Federal Government has a sizable investment. I certainly hope the committee will give serious consideration to those requests.

Also, later in the afternoon, Mr. Robert Wilson and Mr. Harry Zimmerman, of the Manistee Board of Commerce, and Mr. Roger Campbell, attorney of Manistee, are going to testify concerning a new project at Manistee, a harbor-bridge project, which has recently been approved by the Corps of Engineers and the Bureau of the Budget and is expected to be added to the authorization bill now pending in the Senate.

The people of Manistee, within the past few weeks voted approval for a bond issue of $154,000 in accordance with the local participation recommendation of the Corps of Engineers. I urge the committee to approve the request for $75,000 for planning funds for the Manistee

harbor-bridge project. In addition, funds have been requested by the waterways commission to complete a study at Traverse City. I hope the committee will find it possible to approve the several requests. Thank you.

Mr. CANNON. Thank you, Congressman Griffin.

Congressman Knox, would you care to make a statement on this project?

STATEMENT OF REPRESENTATIVE VICTOR A. KNOX OF MICHIGAN

Mr. KNOX. Mr. Chairman, this is my second appearance before the committee this year. I was in here the other day relative to the Gladstone Harbor, which I think should hold high priority as far as survey funds are concerned.

However, I wholeheartedly endorse the program of the Michigan Waterways Commission. I think the Michigan Waterways Commission has done a terrific job in the development of harbors of refuge and also given considerable support to the other projects which are mostly commercial.

We do have this year recommendations from the Bureau of the Budget for the project at Grand Marais of $732,000 and the Great Lakes connecting channels of $30 million.

Of course, I appeared here the other day relative to the Gladstone Harbor, about which Mr. Wilson also testified. The area of the Upper Peninsula of Michigan has been recognized for some 4 years now as a depressed labor area, and we are trying to do everything possible to bring in new industry and to expand the industry that is there. Of course, the shipping channels must be deepened if we are going to be able to achieve our objective as far as new industry is concerned and the expansion of the present industry.

I do hope the committee can give every consideration to the request which Mr. Wilson is filing with you today for consideration, which carries all the projects in Michigan. I thank you for the privilege of coming before your committee.

Mr. CANNON. Thank you, Mr. Knox.

WEDNESDAY, APRIL 13, 1960.

DADE COUNTY FLOOD CONTROL, FLORIDA

WITNESSES

JOHN BUCKLEY, ADMINISTRATIVE ASSISTANT TO REPRESENTATIVE DANTE B. FASCELL

WALTER WEISS, CHAIRMAN, FLOOD CONTROL COMMITTEE, METROPOLITAN DADE COUNTY COMMISSION

PAUL C. WATT, DIRECTOR OF PLANNING, METROPOLITAN DADE COUNTY, FLA.

MARK L. GROSSMAN, LEGISLATIVE SUBCOMMITTEE CHAIRMAN, WATER RESOURCES CONTROL COMMITTEE, MIAMI, DADE COUNTY CHAMBER OF COMMERCE

JOHN D. CAMPBELL, COUNTY AGRICULTURAL AGENT, DADE COUNTY, FLA.

Mr. CANNON. Congressman Fascell was scheduled to appear at this time. I regret that a death in his family has prevented him from attending.

We will be glad to hear his assistant, Mr. Buckley. Do you wish to be heard on the Dade County flood control project, Mr. Buckley?

Mr. BUCKLEY. Yes.

Mr. Chairman and members of the committee, I am John R. Buckley, administrative assistant to Dante B. Fascell. Due to the death of Congressman Fascell's father in Miami this past Saturday, he is unable to be here today and has asked me to make a presentation in his behalf for Dade County and to introduce the gentlemen making presentations in behalf of Dade County.

Congressman Fascell and the large Dade County delegation present realize that you have extended to this group a special allotment of time from your busy schedule within which to bring to your attention the extremely emergent flooding conditions that exist within Dade County. Your interest in extending this unusual consideration is extremely appreciated by all concerned.

At the outset, Mr. Chairman, with your permission, I would like to submit for the record the following material in connection with our presentation. This material consists of:

1. Statement by Congressman Fascell requesting increased appropriations for the Dade County phase of the central and southern Florida flood control project.

2. A statement by Mr. Ivar Axelson, president of the Association For the Best Use of Florida Lands, Inc., urging a solution to the water control problem in Dade County.

3. A letter from Mr. John M. Frederick, president of the Dade County Farm Bureau, to Congressman Fascell concerning the serious plight of farmers in Dade County as a result of the flooded conditions which exist there.

4. A letter from Mr. Charles O. Locke, assistant manager of the South Dade Farms, to Congressman Fascell on the same subject.

5. A pamphlet containing a series of newspaper clippings from the the Miami News concerning the flooded conditions in Dade County. With your permission, Mr. Chairman, I would also like to distribute a number of these pamphlets to members of the committee.

6. A telegram from numerous farming interests in Homestead, Fla., urging early completion of the Dade County works.

7. A telegram from J. D. Barns & Sons Tomato Growers, Homestead, Fla., on the same subject.

Mr. CANNON. Without objection, the material will be inserted in the record at this point.

(The material referred to follows:)

APRIL 13, 1960.

STATEMENT OF DANTE B. FASCELL, A REPRESENTATIVE IN CONGRESS FROM THE FOURTH CONGRESSIONAL DISTRICT OF FLORIDA

Dade County, Florida, presents one of the most interesting paradoxes in the history of this Nation's amazing development. Here, at the southeast extremity of the peninsula, on lands naturally disfavoring large-scale human habitation, has been established one of the fastest growing metropolitan areas in the world.

Along the coast, a narrow ridge of coral rock rises almost imperceptibly from this plain. On this ridge—scarcely 10 percent of the county's area—dwell a million people, with an average overall density of 4,500 per square mile. Much of the urban development has spilled over into the adjacent low-lying glades, and the trend is sure to continue. Other marginal areas are intensively utilized in the production of much of the Nation's winter vegetable crop and other valuable

agricultural commodities. Despite the inevitable consequences of heavy tropical rainfall and long periods of inundation, these lands must be used because they are the only lands remaining.

County authorities have long been cognizant of this problem. They wanted the growth and they knew they must prepare for it. Several drainage districts were established and a countywide water control effort was made under the county government. Numerous improvements were installed and regulations were imposed requiring minimum land elevations for certain types of development. But the real hope for Dade's mounting water control needs came forth in 1948 with the congressional authorization of the central and southern Florida flood control project.

House Document 643, 80th Congress, 2d session, admirably set forth the purpose and scope of this giant cooperative project when it declared:

"Since the area is unique in its combination of a semitropical climate with fertile soil and abundant water, it represents a national asset which should be protected and assured an orderly development for the use of present and future generations. In addition, flood protection and major drainage improvements are urgently needed as an emergency measure.

"* * * the comprehensive plan of improvement presented by the reporting officers, and recommended by the Board of Engineers for Rivers and Harbors, provides the basic framework for a practical and permanent solution of the problems of flood protection and water control in central and southern Florida.

"* * * Further refinement of the plan, to make it conform as nearly as possible to the desires of local interests, will be undertaken in cooperation with a responsible State or local agency prior to construction * * *."

In 1948, Dade County's population was approximately 400,000, having doubled in the previous decade. The postwar boom was well underway, but not even the most liberal thinkers in the area foresaw what was to come. Latest authoritative estimates indicate over 1 million people in 1960; by 1970, over 2 million. For this reason, it is understandable that the county authorities did not feel themselves in a position at the time to question the Dade portion of the comprehensive plan advanced by the Corps of Engineers. While the plan was obviously inadequate in many respects, it was admittedly hastily prepared on the basis of data then available. Thus, it happened that Dade County, the major producer of benefits used to justify the entire project, was scheduled for only 12 percent of the actual work.

In assuming, on the basis of original planning and negotiations, that the project would be expeditiously implemented and subject to ready modification to meet changing needs, Dade County subsequently has been sorely disappointed. It is generally felt that the county is now in far worse shape than it should be after 10 years—yet it continues to lend its full support to the project it knows all southern Florida desperately needs.

Ten years have elapsed since construction on this project began. Of the few works that have been authorized for Dade County, less than one-fourth have been completed. In this decade, Dade County's population has again doubled, and economic development of the area has proceeded at a remarkable rate. Practically every working hypothesis of the 1948 plans has been outdated. Yet, restudy and revision of the original plan has been slow and ineffective in providing the contemplated and necessary relief for Dade County.

Today, Dade County's needs are more serious than ever. Problems have been intensified not only by the constant influx of new residents, but also by an accelerated southerly flow water in the glades as a result of completed project works farther north. Farmlands in south Dade County—an area that has yet to have even an engineering plan prepared for it—are critically imperiled by mounting water problems.

Dade County's appeal is on behalf of the entire project, for only through this broad-scale, comprehensive approach can the problem ever be totally solved. But because of its exceptionally critical situation, Dade County is making this special effort to bring its problems to the attention of the committee. Without intending to minimize the need or jeopardize the chances for project funds of other areas such as the Kissimmee and Caloosahatchee River Valleys, which have waited long and patiently for construction to begin, Dade County makes the following three-point appeal for relief.

1. Adequate appropriation of Federal funds.—The Dade County area of the central and southern Florida project needs and is in a position to use an immediate Federal sum of at least $5 million. By contrast, the flood control district has requested the $2,900,000 for this area and the President's budget

recommends that $1,098,700. Dade County respectfully urges that every possible consideration be given to the high priority of its needs in the appropriation of funds for the project for the coming fiscal year.

2. Revision of Corps of Engineers planning process.—Practically every aspect of Dade County has changed drastically since the central and southern Florida project plan was framed in 1947. This requires timely and expeditious review and revision of the original plan—a fact all the more serious because of the slow rate of project installation. Normal processes cannot cope with the speed of these changes. So much time elapses between planning and construction that a plan easily becomes obsolescent before work is begun. Furthermore, the usual practice of breaking down project works into small components for separate study, planning, authorization, designing, financing, and installation strongly militates against any possibility for handling an unusual case like the Dade County emergency. Consequently, Dade County has suffered the worst. Not only each canal or levee, but each segment of a canal or levee, must be the subject of separate, independent consideration. Dade County urges that the committee permit and encourage the Corps of Engineers to use a more efficient, flexible, and fast procedure to meet the original assigned priority, the unusual problem of, and the emergency existing in this Dade County area.

3. Judicious exercise of administrative authority.—Every day's delay on this entire project means increased total costs. The committee's recognition of this problem is evidenced by its willingness to appropriate more funds for the project in recent years. We urge that every effort be made to appropriate all adequate funds for the project which can be effectively and prudently used. This project is of such a scope that we must reach a level of $25 million a year and hold it in order to properly complete it in the forseeable future.

STATEMENT BY THE ASSOCIATION FOR THE BEST USE OF FLORIDA LANDS, INC., IVAR AXELSON, PRESIDENT, MIAMI, FLA.

MANMADE FLOOD DISASTER

1. An actual manmade flood is continuously and increasingly drowning out Dade County farmers and growers, with enormous losses and consequent injury to the entire economy of Dade County.

2. These floods have been largely caused by the floodwaters that normally reach the Atlantic Ocean through Broward, Palm Beach, and other northern counties being dammed off by levees from their natural outlets and funneled down upon Dade County. And all in the name of flood control.

3. Fantastic as this fact may seem, in addition enormous quantities of floodwaters are annually being pumped down upon us in Dade County from these northern counties. All such pumping should be stopped until Dade County is protected.

4. And even more fantastic is the fact that this manmade flood has been partially paid for with money from Dade County's own taxpayers. Since 1948, when Congress authorized the central and southern Florida flood control project, whose work is responsible for these Dade floods, the population of Dade County has grown from approximately 400,000 to 900,000 and consequently agriculture, industry, and residential construction have been forced into the low-lying lands west and southwest of Miami. Yet in the face of this explosive growth since 1948, the flood control district has only spent in Dade County about 60 percent of the amount paid into that district in taxes for flood control by Dade County. And although technically, some of the founds from the Federal Government appear to have been spent in Dade County, yet the actual net result is that not 1 cent of the Federal appropriations has ever been spent in this county.

5. Proof of the causes of the artificial flooding of Dade County can be seen by the naked eye on any flood control district map of the project. Among other proofs that the work so far completed by the flood control district is pouring additional floodwaters down upon Dade County, is this official statement by the U.S. Geological Survey:

"The estimated daily mean flow south through the Tamiami Canal outlets (i.e., pouring south through the unenclosed end of conservation area 3 under the Tamiami Trail) was 1,400 cubic feet per second.

"Although this is 14 times normal, it is the first time in 9 months the end-of-the-month flow did not exceed the previous maximum record." Quoted in the bulletin, Florida Water News, issued by the Florida Department of Water Resources for March 1960.

6. Another proof is that from 1954 to the present time south Dade farmers have suffered declining income each year from these additional manmade floodwaters. In the 1954–55 season, the agricultural income of the Dade County farmers was about $75 million, while in the 1958–59 season it was only about $35 million. Tens of thousands of south Dade acres that had been farmed for years have had to be abandoned because of these manmade floods.

DADE COUNTY NEEDS QUICK HELP

Dade County has, suspended over her head, a great tank without a bottom into which floodwaters are being shunted and pumped in enormous qauntities. This tank in conservation area No. 3, projected as a reservoir but still unenclosed on the south and fed by conservation areas Nos. 1 and 2, whose southern openings also pour their floodwaters into area No. 3. To relieve this inequitable and desperate situation in Dade County:

1. We ask that the highest priority be given to the enclosing of conservation area No. 3.
2. We need to be saved from Dade County floodwater, too, so we ask that Black Creek Canal, C–1, be widened and extended.
3. We ask that L–31 to the west of Krome Avenue be extended south to the Everglades National Park.
4. In the name of humanity and justice, we ask that these relief measures be granted immediately, and that emergency funds or any other kind of funds be appropriated for the above measures in the current fiscal year 1961.

DADE COUNTY FARM BUREAU,
Homestead, Fla., April 7, 1960.

Hon. DANTE B. FASCELL,
Member of Congress, House Office Building, Washington, D.C.

DEAR MR. FASCELL: Agriculture in Dade County, Fla., is in a steep decline due to the incompletion of the extreme southerly portion of the central and southern Florida flood control works. In the last 5 years Dade County's agriculture has fallen from a rank of national prominence to a deplorable situation where our growers are mortgaged, heavily in debt, or out of business. As you know, the southern and western half of our county is and has always been dependent upon tomatoes, potatoes, beans, etc., for its total livelihood. The annual farm income has fallen from $75 million to about $40 million last year. This is a drastic situation in that more acres were planted and more money expended to attain the lesser amount. Our agriculture is deserting us in that this season we have had the lowest acreage in many years. Many growers are bankrupt and have had to try to get any kind of a job to hold body and soul together. Other growers are moving to the Bahama Islands (Andros Island and others), Isle of Pines, Cuba, Mexico, and upstate Florida.

The incompletion of the flood control works has inundated thousands of acres of our oldest farmland. This is land that has been continuously farmed since 1928 on up to 1956. Because so many acres have been under water the last 5 years we are now able to farm only the 8- to 12-foot land and the law of supply and demand makes this too expensive and limited for us to continue the battle. The farmers whose lands are lower in elevation and whose lands are in a flooded and semiflooded condition, because of the incompleted flood control works are not able to borrow money on their land and cannot sell it either. This referenced land sold for $250 to $1,000 per acre up until about 1956. Because of our agricultural decline, land values from Perrine south (except on U.S. No. 1) have fallen and real estate which was thriving because of former agriculture prosperity is at a standstill or worse.

Within the whole works of the central and southern Florida flood control district there is only one thing that keeps us from completely drowning and that is the Tamiami Trail. The multitrillion gallon masses of water impounded in conservation areas 1, 2, and 3 are slowly but definitely killing our farming here. Dade County is essentially flat and a 2- or 3-inch rain spells disaster

now where formerly our farming grew and developed but survived 5- or 10- and even 20-inch rains. I shudder to think of what would happen to not only our agriculture but to our people and homes should we get a 20-incher with a good wind blowing from the north.

The organization represented by this letter constitutes 90 percent of the 1,500 farms in Dade County.

Please consider our plight. Close off conservation area 3 with a dike north of Tamiami Trail and run this water away from us. Complete L–31 in its planned southerly direction. These two things if accomplished soon enough may enable us to survive. We believe the whole central and southern Florida flood control works when completed will be a fine thing and we are all for it but we need help right now.

We are sending copies of this letter to those who are most concerned. We hope that we might have acknowledgement in such a way as to indicate whether or not all of those who receive it are truly aware of our dire need and its immediate urgency. Your replies will be appreciated.

Respectfully submitted.

JOHN M. FREDERICK, *President.*

SOUTH DADE FARMS, INC.,
Homestead, Fla., April 7, 1960.

Hon. DANTE D. FASCELL,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR SIR: As you well know, the Central and Southern Florida Flood Control District has not completed the southern portion of their project and as a result of this unfinished program, we are not only confronted with local drainage problems but excessive flooding conditions due to water diverted on us by the completed program to the north.

We would again ask that you give your support toward the completion of this southern portion in the near future so that the severe flood conditions that prevail in this area can be relieved. The flooding of these lands in the past several years have caused undue hardships on our farmers and have forced the curtailment of their respective operations. This in turn has forced a significant drop in the rental of our lands and at this point I offer figures from our records to substantiate said statement.

During the farming season of 1955–56 we rented a total of 6,663 acres, all of which was farmed; 1956–57 we rented 6,592 acres; 1957–58 we rented 5,102 acres; 1958–59 we rented 3,898 acres; and in the 1959–60 season we rented 3,727 acres. The best explanation for this severe decrease in farmed acreage is the flooded conditions under which our farmers have tried to grow and harvest their crops. On our farms are two major drainage canals with a pumping station located on each which have a combined capacity of 500,000 gallons per minute. During the past few years, the pumping time required to lower the water table for suitable farming has increased some 20-plus percent.

Thank you for your attention in this matter and we urge that you and others realize the seriousness of our problem and be assured that your help will be greatly appreciated.

Yours very truly,

CHARLES O. LOCKE, *Assistant Manager.*

HOMESTEAD, FLA., *April 11, 1960.*

Hon. DANTE B. FASCELL,
Member of Congress, House Office Building, Washington D.C.:

We, the undersigned, strongly urge that every effort be made to close off conservation area 3 with dike north of Tamiami Trail, to run water away from south Dade farming area and complete L–31 in its planned southerly direction. If these two things are completed soon enough we believe this will be a great help. We are all for it and we need help now.

J. D. Barnes & Sons, Ronald Cloninger, Lewis Maroldo, Roger Brandenburg, Jr., A. H. Davis & Son, R. L. Sickle & Son, Don Sickle, Pat Tucci & Bros., J. L. Hubbard, Homestead Tomato Co-op.

HOMESTEAD, FLA., *April 8, 1960.*

Hon. DANTE B. FASCELL,
Member of Congress, House Office Building, Washington D.C.:

Respectfully urge that every effort be made to complete southern part of Central and Southern Florida Flood Control District. Dade County is suffering from too much water from the northern conservation areas.

J. D. BARNS & SONS, TOMATO GROWERS.

Mr. BUCKLEY. Mr. Chairman, we approach this committee today because Dade County and the Nation's rich agricultural midwinter vegetable crop-producing lands find themselves subjected to steadily increasing emergent flooding conditions. Today nearly 10,000 acres of the 100,000 acres of farmland in production just a few years ago, are now uncultivated due to the steady rise of floodwaters. It is feared that under present conditions, a far greater number of uncultivated farmland acreage will materialize unless some immediate action is instituted which is designed to halt this disastrous threat.

Dade County's problems have been multiplied, not only by the constant influx of new residents but also by the accelerated flow of water in the glades which results from completed project works to the north. Dade County is critically imperiled.

Here, I'd like to make it clear that we support the entire central and south Florida flood control project. Every phase of the project is a necessity and deserving of favorable consideration.

However, the Dade County area of the central and south Florida project needs and is in a position to use an immediate Federal sum of at least $5 million. In this regard, I am advised by the district Corps of Engineers at Jacksonville that representations in a similar regard were made before the Senate committee in their recent hearings. By contrast, the flood control district has requested the $2,900,000 for this area and the President's budget recommends only $1,098,700. Dade County respectfully urges that every possible consideration be given to the high priority of its needs in the appropriation of funds for the project in the coming fiscal year.

At the inception of this program, only 400,000 residents in Dade County were expected by 1960. Nobody envisioned the over 1 million population in 1960 and the now projected estimate of 2 million population in 1970. As a result the earliest programs have had to be resurveyed and revived. Some revisions have not worked as planned. These changes of plans have caused untimely delays.

The facts are: Dade County still has a tremendous flood problem which is just as bad and, in fact, worse than before the program was initiated. It is only through the grace of God that Dade County has not been totally inundated over three-fourths of its area, for, had any one of the numerous hurricanes of recent years struck Dade County, a major catastrophe would have resulted.

It is, therefore, Mr. Chairman, that we urge every possible consideration be expeditiously extended the works in Dade County.

Mr. CANNON. Thank you, Mr. Buckley. Do you have any other witnesses?

Mr. BUCKLEY. We have four. With your permission, I would like at this time to call on our Dade County commissioner, Mr. Walter Weiss, for a short presentation, after which three others will follow. Mr. Weiss will present these gentlemen as they appear.

STATEMENT OF MR. WALTER WEISS

Mr. WEISS. For the record, I am Walter Weiss, chairman of the Water Control Committee of the Board of County Commissioners of Dade County, Fla.

Mr. Chairman and gentlemen, yesterday you extended to me the privilege and courtesy of briefly stating Dade County's position in regard to flood control. I do not want to repeat that which was said yesterday, but I would like to lend special emphasis to two phases; one, Mr. Chairman, I think it is something that is well recognized that here in this country of ours we do not tell people where they shall go, when they shall go, or in what numbers. This basically is one of Florida's or Dade County's problems that builds up this problem. This matter of the freedom of choice of people in this country is one of the reasons why we have an urgent emergency problem in Dade County for we have people who have come into Dade County in excess of any expectancy that existed at the time this flood control district program was inaugurated.

Mr. Chairman, I would like to read, if I may, and have inserted in the record, a telegram that has been directed for my Governor, Hon. Leroy Collins, to Senator Ellender, Hon. Clarence Cannon and to Senator Chavez. May I read the telegram?

Mr. CANNON. Yes.

Mr. WEISS (reading).

I urge your favorable consideration of urgent need for emergency appropriations in connection with Dade County's congressional appeal being heard by your committee today, particularly I commend to your attention the need for closing of conservation area 3, extension of Black Creek Canal and levee-L31 as drainage facility.

This was signed by Hon. Leroy Collins, Governor of the State of Florida.

Mr. BUCKLEY. With your permission, Mr. Chairman, I would like to turn the remaining 9 minutes of our allotted 15 minutes over to Mr. Weiss, our commissioner, and have him introduce the remaining three witnesses who have traveled here from Miami and Homestead, Fla.

Mr. WEISS. May I make one slight additional statement. I simply want to refer to this one fact—that the emergency appropriation we urge this committee to consider as a part of that which was planned, and it is simply an advancing of the work. It is not something that would be applied and then have to be done over again. Thank you very much for that additional time.

Mr. FENTON. I wonder if the gentleman will identify Dade County for us. What does it encompass?

Mr. WEISS. Dade County is the southeastern county in the State of Florida. It encompasses the entire southeastern portion of the State of Florida, including the outer Keys down to a point known as Key Largo which is in Monroe County to the south of us.

STATEMENT OF MR. MARK GROSSMAN

I would now like to call Mr. Mark Grossman of the Miami-Dade County Chamber of Commerce of our Water Control Committee.

Mr. CANNON. We will file his statement at this time.

(The statement referred to follows:)

STATEMENT BY MARK L. GROSSMAN, LEGISLATIVE SUBCOMMITTEE CHAIRMAN, WATER RESOURCES CONTROL COMMITTEE, MIAMI-DADE COUNTY CHAMBER OF COMMERCE

Our united civic and Government forces have been desperately pleading their case for years—under critical circumstances—through every available channel to preclude this congressional appeal.

There has also been concern on our part for the flood disaster areas some of you legislators represent. Our deep compassion is borne from personal, heartbreaking experiences with floods, hurricanes, droughts or the constant threat of them.

It is frustrating to cope with the rampages of nature over which we have so litt'e control. But, it is indescribably tragic that human beings should also suffer from man-made artificial floods. This is precisely the injustice imposed upon Dade Countians by incompleted upstreams works in the Central and Southern Florida Flood Control District and to add indignity to injury, Dade Countians are paying the lion's share of the cost of the district works that have been damaging them.

Let me emphasize that we do not depreciate the value of the district's beneficial works that do not harm others. Nor, is it our intention to ask Congress for anything to which we have not been long entitled.

We do contend someone in partnership with the Congress has chosen to arbitrarily disregard or circumvent congressional intent. The absence of any other reasonable explanation, leaves us with this inescapable conclusion. We are not able to pinpoint the breakdown in the complicated Government machinery, as we are some distance removed from its everyday workings. But, Congress as a partner in this corporation should sufficiently share our concern to make appropriate determinations.

At our remote vantage point, we have tried to trace the trouble. Our local represenative, the flood control district, has lent its endorsement to certain of our key proposals. They communicated to the U.S. Corps of Engineers their attitude with respect to these projects. Unfortunately, however, the district appeals in behalf of Dade County over the years have been conspicuously less successful than its efforts for works in other parts of the district. We find this difficult to understand, in view of the relatively high priorities assigned to Dade County works by Congress in the beginning.

We lose track of matters from this point on, because transmittals from the U.S. Corps of Engineers to the President's Bureau of the Budget are labeled confidential. Public access to the records is denied at this point.

We have made a comparison of the district and Bureau of the Budget recommendations to Congress for fiscal year 1961 project appropriations. We were bitterly disappointed and shocked by what we found. We submit this comparison for your consideration as part of this statement.

It would appear on the surface that Dade County, on the basis of the Bureau of the Budget recommendations, might receive for its works $1,098,700, or 13 percent, of the $10 million. But this is hardly the case. Our good northern neighbor, Broward County, will be the chief beneficiary of drainage to be provided through an expenditure of $304,200 on canal C–9 (Snake Creek), geographically situated at the extreme northern boundary of Dade County. A distorted picture is also presented by the $450,500 item for canal C–8 (Biscayne Canal). This has appeared in preceding budgets, but it has been in litigation for years. The plaintiffs show every disposition to carry their case to the highest court. The $344,000 for canal C–1 (Black Creek) will certainly provide some relief where it is critically needed. But it is our impression this was a 1960—not a 1961—start for which the contract was let about a month ago.

If these three items are removed from consideration, Dade County wouldn't get a nickel in fiscal year 1961.

We are only asking for our entitlement—not a handout. Dade County provides 65 percent of the State-district kitty for the flood control district comprising 17 counties. In fact, Dade has actually contributed to the district almost double the amount that has been returned to Dade County through combined Federal-State-district support. At the close of 1959 we had furnished $12 million and received a total of only about $7 million. And this doesn't include $5½ million expended in the county for secondary works and free digging. Nor does it reflect our own contribution to Federal taxes for western reclamation, TVA, rivers and harbors, and other public works elsewhere. As a matter of information, the Tax Foundation, Inc., reports Floridians will send more than $2 billion to Washington next year. About 25 percent of this $2 billion will be furnished by Dade County taxpayers. Florida stands in 10th place among the 50 States in the number of dollars paid to the Federal Government.

It is not our purpose to criticize these public works. In fact, we agree with your colleague, the Honorable Allen J. Ellender, that uninformed critics of the program who persist in referring to public works improvements as "pork barrel" are doing themselves and the Nation a disservice. We are hopeful that his efforts, those of the Senate Select Committee on Water Resources, the National League of Women Voters, and others, will bring this Congress a national uniform water policy to halt this destructive atmosphere of sectionalism. This would minimize the inconsistencies and conflicts in the basic policy among Federal agencies and provide a coordinated administration and equitable financing whether the project is one of reclamation, flood control, or river works.

Otherwise, we will continue to have senseless bickering over domestic resources-development projects while foreign countries, under the mutual security program, secure such works with comparative ease.

Water resources is one of the most important matters bearing on the present and future economic health of Dade County, with a correspondingly good or bad effect on tax revenues available to the State and Nation.

We don't consider domestic flood control an expense to the Nation. It is an investment that pays handsome dividends to the Nation and the communities. And in Dade County we point with pride to a benefit-cost ratio of 5.3, or a return of $5.30 for every dollar invested.

By whatever measure you choose to apply, Dade County is long overdue for attention.

On the whole, presently authorized works in the projects are only about 20 percent installed—although there are some sparsely populated areas in the project that are more than 90 percent complete. Progress on the populous Dade County portion of the project is little, if any, ahead of the severely retarded project pace. Of some 300 miles of levees within the project completed or under construction, only 25 miles have been built in Dade County—and unfortunately these have fallen far short of effectiveness anticipated. There is a multi-million-dollar system of eleven pumping stations completed or being built in the district. Not one of these was built to benefit Dade County. To the contrary, many of them consititute a threat, at this time, to our community.

This cart-before-the-horse construction plan is like touching off the dynamite to demolish a building before the occupants have been removed from the premises.

Our problems are being compounded and eventual costs are mounting. But our problems—and yours—have just begun. The longer our works are delayed, the more expensive and complicated the job will become.

It is our fervent hope Congress will make its influence felt in gaining agonizingly late recognition of the magnitude and urgency of Dade County works.

Our peril isn't a once-in-a-life-time matter. It is perennial and double edged. Every summer's rainy season may bring a flood. Every rain-free winter can cause a drought. The margin of safety in our flat low-lying peninsula is narrow indeed. No one who has seen this populous region alternately flooded and parched will dispute the need for immediate remedial congressional action.

The government and civic leadership of Metropolitan Miami is in complete accord in appealing for prompt action on a four-point appropriation program for:

(1) Construction of works to impound waters within the boundaries of conservation area No. 3 or to harmlessly divert around Dade County the tons of

water that are relentlessly poured or pumped down upon us through this bottomless funnel.

(2) Extension of canal C–1 (Black Creek) beyond U.S. Highway No. 1 to provide drainage of these unprotected areas.

(3) Extension of the western leg of levee L–31 in a southwesterly direction as a drainage facility to draw off foreign waters that have for years been swamping our agricultural areas.

(4) Studies long stalled on southwest Dade County, Cutler drain, and area B.

All of the foregoing items we sincerely believe warrant your support as emergency measures.

Our first and foremost concern is the closing of conservation area No. 3. The vast system of works under Lake Okeechobee is doing an effective job of keeping dry a great deal of farmland—much of it not even under cultivation. But it is doing this at the expense of severe economic damage to our downstream interests receiving the accelerated runoff through bottomless area No. 3 and at the expense of undue delay in the provision of those conservation features essential to promotion of the broader long-range community interests of the district at large.

There will soon be seven pumping stations upstream pumping water with a great deal going into the conservation areas. Station S–5A is the world's largest low-level pump with a capacity to pump 2 million gallons per minute into the giant funnel. Levees L–30 and L–31 extending into Dade County, are porous as a sieve. Water building up west of this levee forces water for a depth of 60 feet under the levee. The rate of flow of water through this 15-mile stretch of levee is 4,500 cubic feet a second, which is about three times the usual peak flow rate of the Miami and Tamiami canals during October. This leaves Dade County sitting like a wounded duck without the means to protect itself from this onslaught of water.

The unfinished state of area 3 creates a continuing disaster threat to the developed areas of Dade County in the event of a 1947-type flood which would endanger the lives, health, and property of thousands upon thousands of citizens. Only by the grace of God were we spared such a catastrophe last fall.

Congress recognized this danger in 1948 and 1954 when it authorized its completion. Yet, 12 years later we're still waiting for implementation of the plans of Congress. Its completion would permit the conservation of water for subsequent use in times of drought. It would stem the artificially generated flow of water against our back door to minimize the flood hazard. It would have an attendant benefit of opening new recreational opportunities. It would provide an abundant supply of water for the Everglades National Park when it is parched and threatened by fire. And it may obviate the need for, and expense of, certain other works.

Until it has been closed, we will be treating the effects and not the cause of the problems. The U.S. Corps of Engineers themselves have indicated its completion is the key to the flood problems of Dade County.

We have implicit faith this Congress will meet this situation by granting our request. It is inconceivable to me that it would do otherwise.

In such an event, however, I will ask our community and this Congress to support the only alternate courses available to us. This other plan envisions:

(1) Enactment of legislation or agreement between the U.S. Congress, U.S. Corps of Engineers and the Central and Southern Florida Flood Control District to halt any works completed or ready for construction that would inflict damage on Dade County.

(2) Enactment of legislation authorizing Dade County to independently provide matching funds with the U.S. Government through a newly created South Florida Flood Control District. Such legislation would simultaneously authorize withdrawal of Dade County's financial support of the Central and Southern Florida Flood Control District, but provision would be made for continued coordination with the flood control district and other government agencies.

(3) Enactment of legislation permitting any county within the State of Florida, by referendum approval of the citizens of their respective counties, to withdraw from participation in the Central and Southern Florida Flood Control District.

Anything short of this will not fairly meet the critical needs of Dade County.

Comparison of the recommendations by the flood control district and the Bureau of the Budget for appropriations to the central and southern Florida project for fiscal year 1961

Item		Flood control district total	Bureau of the Budget			
Primary work	Description		Total	Channel or levee	Structures	Bridges
	East coast Everglades area:					
C-1	Black Creek Canal	$900,000	$344,000	$252,000	$92,000	
C-8	Biscayne Canal	500,000	450,500	323,000	127,500	
C-9	Snake Creek Canal	400,000	304,200	293,200	11,000	
C-10 [1]	Hollywood Canal	100,000	304,000	112,000		$192,000
C-14	Cypress Creek Canal	605,000	282,500	164,000	118,500	
L-28	West side levee of conservation area 3	1,000,000	360,000	360,000		
L-31	South Dade levee	300,000				
L-35B	Interior levee, conservation area 2	630,000	425,000	425,000		
L-38	Levee between conservation areas 2 and 3	320,000	199,200	199,200		
L-39	Levee between conservation areas 1 and 2	60,000	42,500		42,500	
L-40	East levee of conservation area 1		165,800	165,800		
(1)	Interior levee, conservation area 3	800,000				
	Total, east coast Everglades area	5,615,000	2,877,700			
	Lake Okeechobee-everglades area:					
C-6	Miami Canal	960,000	752,000		752,000	
C-43 [1]	Caloosahatchee River	850,000	480,000	320,000	160,000	
L-7	West side levee of conservation area 1		25,500	25,500		
	Total, Lake Okeechobee-Everglades area	1,810,000	1,257,500			
	Kissimmee River basin and related areas:					
C-38 [1]	Kissimmee River	2,770,000				
C-39A, C-40	Indian Prairie canals	90,000				
C-41	Harney Pond Canal	1,350,000	616,000	576,000	40,000	
C-41A [1]	Canal between Lake Istokpoga and Kissimmee River	250,000	560,000	400,000	160,000	
L-48-51, L-59-61 [1]	Northwest shore levees, Lake Okeechobee	4,360,000	191,300	127,500	63,800	
S-66 [1]	Lake Istokpoga spillway	50,000				
	Total, Kissimmee River Basin and related areas	8,870,000	1,367,300			
	Upper St. Johns River Basin and related areas:					
C-23 [1]	County Line Canal	650,000	406,400	240,000	60,000	106,400
C-24	North St. Lucie Drainage District Canal	1,080,000	656,000	656,000		
C-25 [1]	Belcher Canal	600,000	784,000	160,000	320,000	304,000
	Total, upper St. Johns River Basin and related areas	2,330,000	1,846,400			
	Unidentified item	135,000				
	Total contracts	18,760,000	7,348,900	4,799,200	1,947,300	602,400
	Engineering, administrative costs and repayment of Flood Control District advance	3,529,800	2,651,100			
	Grand total	22,289,800	10,000,000			

[1] Entirely new starts.

Mr. WEISS. Mr. Grossman was going to introduce a visual display in order to aid this committee in understanding the real nature of our problem.

Mr. CANNON. I am sorry that your time has expired. We are glad to have these statements in the record and they will be considered by the committee.

Mr. GROSSMAN. Thank you.

Mr. CANNON. Your next witness.

FURTHER STATEMENT OF MR. WALTER WEISS

Mr. WEISS. I would like to have my statement inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF WALTER WEISS, CHAIRMAN, FLOOD CONTROL COMMITTEE, METROPOLITAN DADE COUNTY COMMISSION

As many areas of Florida farther north are still suffering from the grave consequences of abnormal flooding, it is all too easy for Dade County to recall its similar plight during the past year and look apprehensively at its present situation. Even casual observation reveals that, instead of improvement, conditions exist and are continuing to form in the Dade County area which may any day be precipitated into the most destructive flood Florida has ever known.

Since 1947, when the flooding of that year resulted in the authorization of the central and southern Florida project to provide flood control for the lower Florida peninsula, Dade County's permanent population has increased from about 400,000 to well over 900,000; its agriculture has been both intensified and expanded; millions of dollars have been invested in new industries and facilities. By way of contrast, this same period has produced almost no flood protection for the Dade County area, although the central and southern Florida project has been plodding along for a full decade. As a matter of fact, the project has actually aggravated the county's already acute water problem by facilitating the flow of surplus water from the Lake Okeechobee area into the south Dade area through unclosed conservation area 3. In all, the work in Dade County to date amounts to less than one-half of the money contributed by the county to the project in direct taxes alone.

Today, following one of the wettest years in Florida's history and with another rainy season getting underway, Dade County faces a water control problem far more serious than in 1947. There is very little high ground in the county—less than 10 percent of the total land area. Most of this was in use in 1947. Development since that time has, of necessity, taken place to a large extent in the adjacent, flood-susceptible lowlands. Already farmlands in southern Dade County, many with a 30-year history of use, are hard pressed by high water conditions, and hundreds of thousands of people in the Miami urban fringe face the almost certain probability of serious property damage with the advent of summer rains. A hurricane on top of this would be total disaster.

Dade County needs the central and southern Florida project. But, it needs these facilities constructed at a rate and according to a plan suitable for the burgeoning metropolis that it is. The county is able and willing to provide secondary works of greatest priority, yet it is seriously handicapped in its public works program by the unpredictable and foundering nature of the primary project. Being unable to wait, the county has already initiated work which it feels should be and eventually will be made a part of the primary plan.

Through many serious flood problems of the past decade, Dade County has placed its hopes for relief in the existing central and southern Florida project. Response from this source, bound by complex and time-consuming governmental processes, has been grossly inadequate. The situation is now extremely critical. To await project construction at the present rate of work will result in untold flood damages and the virtual extinction of agriculture in southern Dade County.

To meet this emergency, a greatly accelerated construction program is imperative. Closure of conservation area No. 3, now funneling flood waters into south Dade, is vital. This must be accompanied by immediate construction of facilities to remove surplus waters from these valuable lands during the all too frequent periods of inundation. Two such facilities, C–1 and L–31 borrow canals, are possible under present authorization. Dade County urges that funds be appropriated for the immediate redesign and construction of these three features to the maximum specifications possible under Corps of Engineers administrative discretion.

As much as these facilities, however, Dade County needs a revised project plan which realistically considers the drastically changed conditions of today and those which are sure to exist in the near future. In this respect, the central and southern Florida project is even further behind than in construction of its authorized works. Much of the county's development is virtually at a standstill

for want of primary water control planning which must be accomplished as a part of this project. The rapidly changing water control needs of the county have been apparent ever since the original plan was drafted. Yet, a decade later, planning revision is hardly more advanced than if conditions in the county had remained entirely static over these many years. Further delay is unthinkable. The county must have an adequate plan to guide the project's efforts, and must have it as soon as possible.

Large areas of the county—area B, west of Miami; south Dade, a farming area rapidly urbanizing; southwest Dade, an area seriously damaged by the project, yet for which no relief has been proposed—are caught in the bind. These are the areas in which the development of today and tomorrow must take place, but cannot do so in a sound and orderly manner because of the inability of the flood control project to provide realistic planning in accordance with the need. This points up two serious shortcomings which must be corrected. First, the Corps of Engineers must adopt a more efficient and practical process for updating its planning and modifying its originally authorized projects. Second, Congress must recognize the basic importance of sound and current planning and make sufficient funds available for this purpose. The flood control district is requesting $65,000 for completion of studies in the Dade County area. While the availability of money alone will not eliminate the planning deficiencies inherent in this project, it is at the same time a vital need. Dade County urges that these funds be appropriated.

Probably more than any other area, Dade County has suffered the disadvantages of this project's shortcomings. Conditions have now reached a critical stage, and the county has thus been compelled to speak out in its own behalf. Time does not permit more than a bare reference to the major problems, but it is hoped that by calling these to the attention of Congress, Dade County will have provided a significant service to the central and southern Florida project as a whole.

STATEMENT OF MR. PAUL C. WATT

Mr. WEISS. Our next witness, if Mr. Grossman is not able to present that, will be Mr. Paul Watt, planning director for the county of Dade.

Mr. CANNON. We will be glad to have your statement. You may submit it for the record.

(The statement referred to follows:)

STATEMENT IN SUPPORT OF APPROPRIATION RECOMMENDED FOR CENTRAL AND SOUTHERN FLORIDA PROJECT, APRIL 13, 1960, BY PAUL C. WATT, DIRECTOR OF PLANNING, METROPOLITAN DADE COUNTY, FLA.

Dade County, with a permanent population of 935,000, is the largest urban area in the State of Florida. Its rapid rise to major metropolitan status has been well documented. Since 1920, it has increased at an average rate of 8.2 percent per year and its recent growth trend is only slightly less spectacular (7.15 percent per year from 1950 to 1958) (table I).

At the end of World War II, there was considerable doubt about future growth patterns in Dade County. Few forecasters felt that prewar growth trends could be maintained. For example, projections made by the Dade County Coordinating and Planning Committee, in September 1945, anticipated a population of 375,000 in 1950 and 490,000 in 1960.[1] It was in this area that present water control plans in Dade County were made. The end of the war had brought a withdrawal of military personnel based in the county, the airline industry had not begun to influence growth patterns and the tremendous population drawing power of climatically favored areas was largely unrecognized.

As it happened, the above projection for 1960 was exceeded by the time of the 1950 census and the current enumeration is expected to count some 935,000 persons in the county—three times the 1945 population.

The county's parts have been similarly affected. The extreme southern part, below Eureka Drive (Southwest 184th Street), was, in 1945, almost solely agricultural, and little credence was given to the idea that its character might

[1] Dade County Coordinating and Planning Committee and Earle W. Rader, county engineer, "Dade County Airport Survey," September 1945.

change in the foreseeable future. By 1950, however, 17,400 persons lived in the area and in 1958, there were 44,000. Of the 23 housing projects currently (March 1960) active in Dade, 5 of them are in this area 8 to 9 miles south of the core of Miami.

The planning department does not feel that the continuing surge of population can be halted or materially slowed. The high mobility of the American population, the continued attractiveness of climatically favored areas, the increasing economic diversity and stability of Dade County will bring an anticipated average of nearly 40,000 migrants to the area each year. Average net migration since 1947 has been 38,000 per year (table II).

Our own projections, based on detailed studies of components of change, indicate that more than 2,400,000 persons will live in the county by 1985 (table III). Many forecasters feel that even this rate of growth (157 percent in 25 years) is conservative and that the 2½-million mark will be reached before 1985.

These projections are based on the following findings and assumptions:

1. Climatic amenities have been the major factors attracting new residents to Dade County and this influence will continue strong in the future.
2. The American population will become more, rather than less, mobile, thus providing a continued large market from which Dade County may draw migrants.
3. The trend toward metropolitanization will continue.
4. Dade County will continue as the dominant focus of the south Florida peninsula and will contain in excess of two-thirds of the total population of Dade and Broward Counties.
5. Cost of living factors will not limit future growth in Dade County.
6. The yearly number of net migrants tends toward a constant absolute amount rather than toward a geometric trend in relation to the population base.
7. There will be no major changes in the long-term rate of natural increase.
8. The economy will, as in the past, expand to a degree sufficient to provide income and employment for the expanding population.

It is the task of planning department to provide for this expansion in such a way as to promote orderly and efficient community operation including the all-important agricultural function in the county. In order to do so, we must properly appraise future developmental patterns. We know, however, that in the future as in the past, land elevation and water control will play a major role in determining these patterns. As the accompanying map demonstrates, urban growth has followed closely the relatively high ridge that parallels Biscayne Bay. This has drawn the pattern into a pronounced north-south shape. In 1958, the urban area ran continuously in a north-south direction for 23 miles. In comparison, at its widest point, the east-west axis of the urban area extended for only 9 miles. The attached map, showing the locations of active subdivisions shows three major clusters—one at either end of the current urbanized area and one at its westernmost extension. These clusters are perhaps the best indication that we have of the directions that future development will follow.

The map shows clearly, however, that undeveloped areas west of Miami proper are in much greater proximity to the core area than are many already developed areas to the north and south. We would strongly suspect that, if future flood control measures were to have the corollary effect of making these western areas suitable for development, much of the current southward expansion would be diverted westward. The one major, critical problem is that we cannot know what will happen without some firmer understanding of flood control planning. In order that we may be able to get on with our overall planning in close coordination with the central and southern Florida project, it is imperative that funds be made immediately available for completion of the plans to be prepared by the U.S. Corps of Engineers.

The 1985 urban diagram shown on our map is based essentially on a continuation of present patterns of land availability. Under this assumption, some half million people will have to be housed in the South Dade area, well removed from the present core area. To prepare for this, we will have to proivde additional roads, greatly extend our water and sewerage lines. Density standards will have to be established to assure ample space. The future role of agriculture will have to be accommodated. All of this could be changed were additional lands to be made available. While this might, in the long run, be made beneficial to county development, it would involve a major expense to the residents of the county if the planning for South Dade growth had to be revised. In short, we must have immediate knowledge of future flood control facilities.

Average annual compound rates of population increase, Dade County, 1920–58

Period	Population		Number of years	Average compound rate of increase
	Beginning of period	End of period		
				Percent
1920 to 1925	42,753	111,352	5	21.19
1925 to 1930	111,352	142,955	5	5.12
1930 to 1935	142,955	180,998	5	4.83
1935 to 1940	180,998	267,739	5	8.00
1940 to 1945	267,739	315,138	5	3.31
1945 to 1950	315,138	495,084	5	9.45
1950 to 1955	495,084	703,777	5½	6.60
1955 to 1958	703,777	860,000	2½	8.35
1920 to 1930	42,753	142,955	10	12.80
1930 to 1940	142,955	267,739	10	6.50
1940 to 1950	267,739	495,084	10	6.34
1950 to 1958	495,084	860,000	8	7.15
1920 to 1940	42,753	267,739	20	9.60
1930 to 1950	142,955	495,084	20	6.40
1940 to 1958	267,739	860,000	18	6.97
1920 to 1950	42,753	495,084	30	8.51
1930 to 1958	142,955	860,000	28	6.62
1920 to 1958	42,753	860,000	38	8.22

Sources: Florida State censuses of 1924, 1935, and 1945, Federal decennial censuses of 1920, 1930, 1940 and 1950, special Federal census of 1955, Population and Housing Survey of 1958, Bureau of Business and Economic Research, University of Miami.

TABLE II.—*Yearly levels of net immigration, Dade County, 1946–59*

Year ending June 30—	*Net immigration (persons)*	Year ending June 30—Con.	*Net immigration (persons)*
1947	24,400	1954	32,100
1948	39,300	1955	36,500
1949	33,000	1956	44,000
1950	54,100	1957	44,200
1951	33,400	1958	30,700
1952	31,500	1959	23,200
1953	42,500		

Source: Compiled on basis of total population increase between censuses less natural increase. Yearly allocations made on basis of electricity customer and school enrollment increases.

TABLE III.—*Projections of the Dade County population, 1960–85*

Year:	*Population*	Year—Continued	*Population*
1960	952,000	1975	1,757,000
1965	1,201,000	1980	2,079,000
1970	1,467,000	1985	2,433,000

Source: Metropolitan Dade County Planning Department.

STATEMENT OF MR. JOHN CAMPBELL

Mr. WEISS. Our next witness, Mr. Chairman, is Mr. John Campbell, county agricultural agent for Dade County, who represents the agricultural interests of Dade County.

Mr. CANNON. We are glad to have you. You may insert your statement, and it will be included in the record at this point.

(The statement referred to follows:)

Mr. Chairman, and members of the committee, it is indeed an honor to appear before this distinguished committee.

The farmers of Dade County, and they are very capable farmers, too, would like to have the privilege of staying in business. Their principal business is

to provide the rest of this Nation with a very large portion of its winter fresh vegetable supply—tomatoes, green beans, strawberries, etc.

Excess water the last few years is the key factor that has placed some of Dade County's farmers in bankruptcy. Others have been forced to stop farming altogether.

The income from the agriculture of Dade County varies between $50 million and $80 million annually. Agriculture is an important part of the county's economy and represents an investment in excess of $200 million.

Dade County farmers have for many years grown their crops on land 3 to 8 feet above sea level. Water funneled down into Dade County from land with higher elevations, in the Lake Okeechobee area, can and has inundated much of Dade's best farmland. Even land that has been in use for 15 to 20 years or longer has been so wet during most of the farming season that it has not been used for 2 or more years.

Farmers in Dade County are accustomed to handling local rainfall of 3 to 8 or 10 inches. They cannot, however, effectively drain their lands when millions of gallons of water, to replace that which they drain, is moving toward them from areas to the north. Figures indicate that drainage and seepage can permit the flow of 110,900 acre-feet of water in a period of 2 weeks into the south Dade area from conservation area No. 3. This amount, if just confined to farmland, would be equivalent to 1 foot of water over each of the 100,000 acres of farmland in Dade County.

Excessive water in late 1959 caused heavy loss of crops, damaged surviving ones, caused loss of fertilizer and the rotting of seeds in the ground. Due to flooding, 10,000 acres remained idle. The resulting delay to the planting and harvesting set Dade County farmers up for "the kill" by the freeze late in January.

In 1947 and 1948 Dade County farmers, through Mr. C. H. Steffani, then county agent, provided a very large and effective amount of the factual information on the 1947 flood that was used to originally justify the central and southern Florida flood control project. Since the 1947 flood, agriculture in Dade County increased and intensified until the floods and freeze 2 years ago. The fall of 1959 (this crop season) was the wettest experienced since 1947.

Today the benefits derived from this project by Dade County's agriculture have been proportionately small. Some few have benefited in the area just west of Miami while as a whole the effect on most of the Dade County farming acreage has worsened rather than improved.

The southward flow of water, which has increased and accelerated, must be curtailed or partially contained in some way. Dade County farmers do not want more water drained and pumped onto their fields. When adequate facilities are built in Dade County to properly control and dispose of excess water then the feeling may be different.

Dade County's agriculture, an important contributor to the Nation's winter fresh vegetable supply, has suffered heavy losses due to certain shortcomings or poor planning of the project. The farmers would like to see the work carried out with more attention given to the Dade County portion of this national asset which should be protected and assured an orderly development for the use of the present and future generations.

Mr. WEISS. Thank you, Mr. Chairman and gentlemen.

Mr. JENSEN. These gentlemen have gone to quite a lot of trouble to set up a map here that is quite unusual. I wonder if we could not give them a little extra time.

Mr. CANNON. I am sorry, but we are now scheduled until after 5 o'clock, and we are running considerably behind schedule.

Mr. FENTON. I do not know what they expect to show. I believe it would show how the flood affects the southern area. I think it would be a practical demonstration.

Mr. JENSEN. One that we have never seen before.

Mr. BUCKLEY. Mr. Chairman, these gentlemen are attempting to bring to the committee's attention the seriousness of our plight. Of the 100,000 acres of south Florida vegetable farmlands, 10,000 are now flooded and waters from the completed works to the north are contributing to a continual rise of water and the destruction of a

goodly portion of the Nation's midwinter vegetable crop. In behalf of Congressman Fascell and this large south Florida delegation present, I practically plead that you permit us to use the remaining portion of the time allotted so that we might explain our problems in more detail. If it is at all permissible, I would certainly appreciate it.

Mr. CANNON. I am sorry but we did cover this same county in the hearing held yesterday. We have many groups waiting to be heard and we are running far behind schedule. We thank you gentlemen very much.

WEDNESDAY, APRIL 13, 1960.

RAINBOW BRIDGE

WITNESSES

J. F. CARITHERS, NATIONAL WILDLANDS NEWS, ARIZONA
HOWARD ZAHNISER, EXECUTIVE SECRETARY AND EDITOR, THE WILDERNESS SOCIETY, WASHINGTON, D.C.

Mr. CANNON. We will now hear from Mr. Carithers.

Mr. CARITHERS. Mr. Chairman, my name is Joe Carithers. I am western editor of National Wildlands News, an independent newspaper dedicated to the preservation of national parks, monuments and wildlife refuges as nature sanctuaries. My headquarters are in Tucson, Ariz.

The wording of the Colorado River Storage Project Act of 1956 contained a proviso calling for adequate protective measures to preclude impairment of Rainbow Bridge National Monument from inundation by water rising behind Glen Canyon Dam which is now under construction.

Just a week ago today, I had the pleasure of being in Rainbow Bridge National Monument. My wife and I hiked in and spent three wonderful days there. We went there purposely to study the problem that is now before use: How best to protect the monument from inundation.

The problem, simply stated, is this: Glen Canyon Dam, when completed, will back water up into Bridge Canyon, which is one of the many side gorges that branch out from the much larger Glen Canyon. When the reservoir is full, say Bureau of Reclamation engineers, Bridge Canyon will become a narrow arm of the lake to a point well above the national monument, passing through it and beneath the great stone arch.

To protect the national monument from being altered in this way, would require construction of two smaller barriers in Bridge Canyon. The larger of these, down-canyon and out of sight of the arch, would keep water from rising beyond it. A smaller barrier, up-canyon and out of sight, would be necessary to prevent runoff from carrying silt down and depositing it behind the lower barrier. To take care of the runoff blocked by the upper barrier, a tunnel would be drilled through the sandstone to drain into Aztec Canyon, the next canyon to the west.

It has been suggested that the lower protective barrier might be built by floating men, equipment and materials up the canyon to the site, after Glen Canyon Dam has filled sufficiently to permit doing so.

There is no time to lose in beginning construction of these barriers. If work on Glen Canyon Dam proceeds at a normal rate, the lower site may be flooded out within a year or more.

National Wildlands News takes the view that the entire system of national parks and monuments is at stake here. During the Dinosaur National Monument fight of 1950–56, we rallied around the premise that a threat to one area is a threat to all. That principle still stands. Under no circumstance should we permit a man-made impoundment to encroach on a national park or monument. All that the dam promoters are waiting for is one violation of this basic principle, because they know that once the bars are down, the way will be open to construct the dams already proposed to be built inside a number of parks and monuments.

We therefore urge all who are concerned about our great system of national parks and monuments to give careful consideration to the significance of this threat, and especially the precedent that would be established if this national monument is in any way impaired. It is vital that we uphold national park and monument integrity by encouraging the earilest costruction of the necessary protective devices that are deemed to be the most practicable.

Mr. ZAHNISER. May I add the endorsement of another organization to the statement that Mr. Carithers has just made. I am Howard Zahniser, the executive secretary of the Wilderness Society with headquarters here in Washington, always available.

Mr. CANNON. I suggest that you file a statement.

Mr. ZAHNISER. Thank you, Mr. Chairman, I will do so. Mr. Carithers came all the way from Arizona, so we want to endorse him and make the most of this opportunity.

WEDNESDAY, APRIL 13, 1960.

SAN JACINTO RIVER AND BAUTISTA CREEK; CIBOLA CUT, RECLAMATION; AND WHITEWATER RIVER BASIN

WITNESSES

HON. D. S. SAUND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA
GLENN E. WHITLOCK
BRUCE KRATKA
JOHN R. NORTON III
H. D. UNDERWOOD, PRESIDENT OF THE BOARD OF TRUSTEES OF THE PALO VERDE IRRIGATION DISTRICT, BLYTHE, CALIF.

Mr. CANNON. We will now hear from Congressman Saund. We are glad to have you before us.

Mr. SAUND. Mr. Chairman, I sincerely appreciate this opportunity to appear before your distinguished committee in support of funds for three public works projects in my congressional district. These are:

San Jacinto River and Bautista Creek flood control project: $1,300,000 for construction in the Corps of Engineers budget.

Cibola Cut channelization: $457,000 in the Bureau of Reclamation budget.

Whitewater River Basin flood control survey: $20,000 in the Corps of Engineers budget, which I will request be increased to $40,000.

It is a source of great satisfaction to me to see the $1,300,000 in the budget for the San Jacinto River and Bautista Creek project in the Hemet-San Jacinto area of my congressional district. This project is, at last, a going concern after years of dormancy. Surveys were authorized in 1937; 13 years later, in 1950, Congress authorized the project.

Since I came to Congress in 1957, it has been a hard, uphill battle to get the project moving. It was only through the sympathetic consideration and cooperation of you, Mr. Chairman, and your colleagues of the Appropriations Committee that funds were made available for advance planning in 1957 and 1958 and some $200,000 was approved for construction last year.

The funds in the 1961 budget will enable the work on this vital flood works to go forward, assuring eventual protection of valuable residential and business properties and farmlands that were damaged by three floods in an 11-year period.

The channelization of the Colorado River through Cibola Valley is of considerable interest to the Palo Verde Valley in my congressional district, which is just above the Cibola Valley on the river. I have been working closely with the Palo Verde Irrigation District for more than 3 years in connection with this work. Channelization of the river through Cibola Valley would alleviate drainage problems in the Palo Verde Valley. It also will conserve a large amount of Colorado River water and enhance the development of recreational activities on the river.

Mr. Chairman, the Corps of Engineers has budgeted $20,000 to continue its survey work on the Whitewater River Basin. In this river basin lies the rapidly developing resort area of Palm Springs in my congressional district. There is growing need for flood protection and there has been slow progress. The Chief of Engineers authorized the survey in 1939 and the corps has spent $200,000 since that time. The Riverside County Flood Control and Water Conservation District, the local flood control agency, has furnished $66,486 in aerial topography maps and in addition, miscellaneous maps and flood surveys. The Corps of Engineers has a capacity to use $40,000 in 1961 for flood control planning on the Whitewater River and I urge that this amount be approved by your committee.

I have four representatives of the Palo Verde Irrigation District present here and I would like to introduce them to the committee. First I would like to introduce Mr. Underwood, president of the Palo Verde Irrigation District.

Mr. UNDERWOOD. I have a statement I would like to file.

Mr. CANNON. Without objection it will be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF H. D. UNDERWOOD, PRESIDENT OF THE BOARD OF TRUSTEES OF THE PALO VERDE IRRIGATION DISTRICT, BLYTHE, CALIF., RE PUBLIC WORKS BILL

Gentlemen, our irrigation district has a real interest in the legislation before the committee today. For many years we have suffered in our drainage works,

due to the aggradation of the river caused by the backwaters of the Laguna Dam, first, and later by the Imperial Dam. In fact, the U.S. Government purchased the lands of the Cibola Valley, when the Laguna Dam was built. It was felt these lands would be flooded and the Cibola farmers would be hurt by river aggradation, so the Government purchased their lands. The appropriation under consideration today proposes to channelize the Colorado River through Cibola Valley. Our valley is just above the Cibola Valley and our drainage has been adversely affected by the same aggradation.

I am sure the Department of the Interior has outlined to you the recreational and water saving factors involved in the proposed channelization. The Department has made every effort to provide for recreational advantages. The straightening of the channel will save a great deal of water and help to avert a critical water shortage in the lower Colorado River area.

We urge your favorable consideration.

Mr. SAUND. I would like to introduce to the committee Mr. Glenn E. Whitlock, Mr. Bruce Kratka, and Mr. John R. Norton III.

Mr. CANNON. Thank you, Congressman Saund. The committee is glad to have your recommendation.

WEDNESDAY, APRIL 13, 1960.

COLORADO RIVER STORAGE PROJECT

WITNESS

HON. DAVID S. KING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. CANNON. We will now hear from the Congressman from Utah, the Honorable David King. I believe that you wish to be heard on Colorado River storage project.

Mr. KING. That is correct.

Members of the Appropriations Subcommittee, may I express appreciation for the opportunity of appearing before you this afternoon. Preliminarily, may I associate myself with the statement made by my distinguished colleague from Colorado, the Honorable Wayne N. Aspinall, before this subcommittee on April 11.

May I also add, by way of introduction, that at the present time plans are being shaped, and proposals readied, with regard to the allocation of Glen Canyon and Flaming Gorge power to market areas, and with regard to the transmission of power to these areas. The decision which we make with regard to these proposals will determine the course of the upper basin States for the next 100 years. It is absolutely imperative, therefore, that that course be harmonious with the pertinent overriding objectives of the upper Colorado River storage project legislation, which objectives are: First, to bring to as many people as possible the advantages of inexpensive power to the end that new industry might spring up and commerce flourish; second, to insure the allocation of available power to participating States and communities on a fair and equitable basis; and third, to insure the repayment of all repayable costs and interest charges incurred in connection with the construction of the reservoir, power, and transmission facilities.

In addition to the above, I make three specific points for your immediate consideration:

First, I am opposed to that feature of the Glen Canyon project which contemplates the construction of two dams and a diversion tunnel to allegedly protect the Rainbow Bridge. I am in complete sympathy with the motives which prompted this feature of the project, but feel that studies which have been made since the proposal was first advanced, show that the same is unnecessary. There is no evidence to show that the Glen Canyon Dam will in any way constitute a threat to the preservation of this remarkable natural wonder. On the contrary, the small amount of lake water which will penetrate the area, and it will be very small, will enhance its natural beauty, and prevent some of the destructive erosion from flash floods which are characteristic of that area.

Since I am opposed to the Rainbow Bridge feature of the project, it follows, a fortiori, that I am opposed to the spending of $3,500,000 during fiscal 1961, to commence work on this phase of the project.

Departing from the script a moment, may I add that this Rainbow Bridge feature is extremely controversial. You have just heard some testimony to the other effect. I would like to make it clear that nothing that I say herein is to be construed as in anyway opposed to the fine work and the high motives which are prompting those who are working for the preservation of the integrity of our national parks and national monuments. This is a matter of great moment to me also. I have spent many wonderful hours and days enjoying our national parks and monuments. I feel this very keenly, and if I thought for a moment that the Glen Canyon project constituted a real threat to the integrity of our Rainbow Bridge national monument, I would not take the position that I now take.

Second, I feel strongly that the sum of $400,000, in addition to sums proposed in the present budget, should be spent during fiscal 1961 on advanced planning for the various phases of construction of the components of the upper Colorado River storage project, including transmission systems. This would not entail an increase in the overall cost of advanced planning, but merely an acceleration of an expenditure which has already been included in the total cost figures. If this additional money is not now spent for the purpose indicated, there will very likely develop a serious bottleneck, and general slowdown which might upset repayment schedules. This would mean the difference between getting the project off to a good start, and getting it off to a slow start. I might add, moreover, that if this subcommittee follows my reasoning on the Rainbow Bridge project, as developed above, there would be ample funds available to cover this proposed $400,000 increase.

Third, savings gained by the elimination of the Rainbow Bridge project would cover an immediate start by the Bureau of Reclamation on the construction of the main transmission lines which are not being opposed by the private utilities. I see no reason why this construction should be delayed. And I see important reasons why the construction should be started this year. Early completion of these lines, which would link the power systems in Colorado to the Glen Canyon and Flaming Gorge Dams, will be necessary to keep the overall upper Colorado River storage project on schedule, and to start the orderly repayment of the Federal investment. For that reason, I recommend a $3 million appropriation for this work in the budget which is under discussion here.

Like the pieces of a fine watch, the many components of the upper Colorado River storage project are closely interrelated. A slowdown in the development of one component can slow down the entire program. This program is so inherently sound and good and necessary, that I do not want a delay in the development of a single feature to disrupt the timetable on the full program, to postpone the ultimate completion, and to jeopardize the many benefits which the completed program will carry for the people and the industries of the great Intermountain Empire, and for the general economy of this Nation.

I thank you again for this opportunity to express my views on this important subject.

Mr. CANNON. Thank you, Congressman King.

WEDNESDAY, APRIL 13, 1960.

CONNECTICUT PROJECTS

WITNESS

HON. JOHN MONAGAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. CANNON. Mr. Monagan.

Mr. MONAGAN. Mr. Chairman and members of the committee, I appear here in favor of appropriations for four projects in Connecticut.

One is the continuation of the Thomaston Dam in the amount of $1,547,000; one is for $1 million for the Hall Meadow Brook Dam in Torrington, Conn.; one is for $870,000 for the Mad River Dam in Winsted, Conn., and also an appropriation of $150,000 for planning and design for the East Branch Dam in Torrington, Conn.

These programs are part of an overall plan of flood control that is of vital importance for this section of northwestern Connecticut. We had disastrous floods there in 1955 with great loss of life and very substantial property damage.

If these works are completed and the steps recommended by the Engineers are taken, we will not have a repetition of this vast damage and loss of life, and I ask that the committee take favorable action on these budget requests which have already been submitted and approved by the Bureau of the Budget.

Mr. BOLAND. The four projects that you mention are all budgeted, are they not?

Mr. MONAGAN. Yes, they are.

Mr. BOLAND. I want to commend the gentleman from Connecticut for his activity in this field. His area, incidentally, in the 1955 flood was probably the hardest hit of any area in the United States. I flew over it in a helicopter just a day after the flash flood in October 1955, and it was certainly an area that was completely uprooted by small streams that they were trying to protect with this project here. I want to commend you for the interest you have shown, for your persuasiveness in the fact that you have stayed on this job and on top of it since you arrived in this session of Congress.

Mr. MONAGAN. I thank the gentleman very much.

WITNESS

HON. FRANK M. COFFIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MAINE

Mr. CANNON. We will be glad to hear now from Mr. Coffin.

Mr. BOLAND. Mr. Chairman, this is the last time that our respected colleague from Maine, Congressman Frank M. Coffin, will come before the subcommittee as the representative of Maine's Second Congressional District. As you know, Congressman Coffin is running for Governor in his State. I know that he is held in the highest admiration by his colleagues and I want to say to you Frank that it has been a distinct pleasure to have served in the Congress with you. You have been one of the outstanding Members of this Congress, and the sparkplug in the New England congressional delegation, who has thoroughly understood the problems of our region and worked hard for their solutions.

Mr. COFFIN. I am taking this opportunity to express my support for appropriations for two public works studies which would be carried on within the Second District of the State of Maine. One concerns the Androscoggin River and the other concerns the harbor of New Harbor, Maine. Neither proposal is included in the 1961 budget request.

ANDROSCOGGIN RIVER

The Androscoggin River Basin is located in the western part of Maine and the northeastern part of New Hampshire. The river flows easterly from the New Hampshire border through the communities of Rumford and Mexico, Maine, and southeasterly through the communities of Livermore Falls, Lewiston, Auburn, Lisbon Falls, and Brunswick, Maine. From time to time the river has flooded causing serious damage, particularly to the communities of Rumford, Mexico, Lewiston, and Auburn.

On November 21, 1955, the Senate Committee on Public Works adopted a resolution calling for a review of all previous reports of rivers in Maine, including the Androscoggin, with a view to determining the desirability of modifying the recommendations contained in previous reports and the advisability of adopting further improvements for flood control and allied purposes.

Yesterday, Congressman James C. Oliver, of the First District of the State of Maine, appeared before this committee to urge an appropriation of $137,000 to allow the Corps of Engineers to undertake this study. I am joining him in this request. His particular concern is the damage caused in Rumford and Mexico, which are located in his district.

My immediate concern is with proposals made in Lewiston and Auburn for the dredging of the channel in the Androscoggin River between the two cities.

The Corps of Engineers has stated that "dredging is considered a method of flood control when found appropriate and economically justified and will be considered in connection with our investigation of the Androscoggin River." Although the proposed dredging proj-

ect in the vicinity of Lewiston and Auburn was not considered when the 1955 Senate study resolution was adopted, the corps has advised the chairman of the House Committee on Public Works that this proposal could be considered in connection with the general review at no increase in cost.

Flood damage on the Androscoggin in recent years has occurred in 1936, 1953, and 1959. Along the river, in the communities I have mentioned, valuable commercial property and residential property is located. It is most important that every effort be made to determine a sound plan for flood control on the river before another disaster flood strikes. It is now 5 years since the study was authorized and I would urge that this committee make it possible to undertake the study without further delay.

NEW HARBOR

In the 1st session of the 86th Congress, the House Committee on Public Works adopted a resolution authorizing the Corps of Engineers to study a proposal to extend an existing rivers and harbor navigation project at New Harbor, Maine. The Corps of Engineers has stated that a study of this proposal is warranted at this time. The estimated cost of the survey is $10,000.

The existing project was adopted in 1905 and provides for deepening areas in the upper and lower parts of the harbor. According to the Corps of Engineers figures, average annual traffic, principally fishing boats, has doubled in recent years.

The community of New Harbor is dependent on the fishing industry and summer pleasure boating traffic for its livelihood. It is apparent that unless additions to the harbor anchorage area are made that the community will be stifled by its lack of adequate facilities. Therefore, I urge that the committee appropriate the necessary $10,000 for the proposed study.

Mr. CANNON. Thank you.

STATEMENT OF MR. PHILIP SHULTER

Mr. BOLAND. Mr. Chairman, I ask permission to include a statement presented by Mr. Philip Shutler, director of the Connecticut River Valley Flood Control Commission. Both Mr. Shutler and the commission have been pioneers in flood control problems of the Connecticut Valley.

Mr. CANNON. It will be submitted in the record at this point.

(The statement follows:)

STATEMENT IN BEHALF OF THE CONNECTICUT RIVER VALLEY FLOOD CONTROL COMMISSION

The commission requests that appropriations for flood control dams in the Connecticut River Basin be made substantially as asked for in the budget message.

It is understood that the sums requested for the Ball Mountain, Townshend, North Springfield and North Hartland Dams are sufficient to complete these projects. Even in the present uncompleted state they provided benefits during the spring flood period April 4–10 by holding flood runoff in temporary storage. Their effectiveness will be greatly increased when outflow from the reservoirs can be controlled by gates.

The two other Connecticut Basin projects are Littleville on the Middle Branch of the Westfield River in Massachusetts and Mad River on a stream of that name, a tributary of the Farmington River in Connecticut. Both are greatly needed.

The Littleville Reservoir will produce substantial benefits to the city of Westfield, Mass., and will be of some help in flood height reduction at Springfield, Mass., and Hartford, Conn.

While the Mad River project would have no measurable effect on the Connecticut River, it will benefit greatly Winstead, Conn., a city which took terrible punishment from the floods of 1955.

WEDNESDAY, APRIL 13, 1960.

GREEN PETER DAM AND OTHER OREGON PROJECTS

WITNESSES

HON. CHARLES O. PORTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON
NORMAN D. PRICE, JR., EXECUTIVE SECRETARY, PORT OF SIUSLAW
C. GIRARD DAVIDSON, ATTORNEY, PORT OF COOS BAY, OREG.
T. O. NORDAHL

Mr. CANNON. We will hear from the gentleman from Oregon, Congressman Charles O. Porter. We are glad to have you with us. You wish to be heard on the Green Peter Dam?

Mr. PORTER. Yes, especially, and I have with me two gentlemen who will use part of my time, with the chairman's permission. Mr. Chairman and members of the committee, I don't intend to take up much of your time today. I know how busy you are. As a matter of fact, I have already yielded back 5 of the 10 minutes which you were kind enough to allot to me originally and I can assure you I will use as little of the remainder as possible. It chiefly depends on how fast I can talk.

I just want to make a few particularly important points and then, if I may have your permission, Mr. Chairman, I will submit a more detailed statement for the hearing record.

1. First, I want to talk for just a minute about the Green Peter Dam and Reservoir project on the Middle Santiam River in Linn County. There has been some special interest in this project because it does happen to be the largest new construction start in the Corps of Engineers' budget for the next fiscal year. However, I trust it won't into any serious trouble for that reason. It should be noted that the Bureau of Reclamation budget includes at least one new start that makes Green Peter look like a beaver dam. I'm thinking especially of the Yellowtail project in Montana which has a total estimated Federal cost of more than $109 million and is up for $2.5 million in the fiscal 1961 budget. I don't think either of these projects, however, should be singled out because of their size alone.

One thing in particular should be mentioned about the Green Peter project. It has an excellent benefits-to-cost ratio, with or without the reregulating dam which has always been a part of the overall complex known as Green Peter-White Bridge. White Bridge would be a reregulator downstream and would help to increase the power potential of the overall project. It would, in fact, increase the benefits-to-

cost ratio from 1.25 for Green Peter alone to 1.27 with White Bridge. White Bridge was authorized in 1954. The two of them together are now estimated to cost a total of $64 million.

The Corps of Engineers determined, however, in making preconstruction studies of the project, that a different location, known as Foster, would be more desirable for the reregulator. In fact, with Foster instead of White Bridge, the overall benefits-to-cost ratio for the project would be raised to 1.36—and you must admit that's pretty good. Foster is not yet authorized, but the favorable report on it from the Chief of Engineers should be in the hands of the Congress in a very short time. If necessary, Green Peter can be operated by itself and serve all its authorized functions, though it would not be as economical to do so as it would be with a reregulator. Green Peter is in the fiscal 1961 budget for $1.4 million to begin road relocation and land acquisition.

The fact is that there is nothing to be gained by delaying this project any longer and there is quite a bit to lose. It has been ready for a construction start for 3 years. Each year that it has been delayed so far the total estimated cost has risen—for the simple reason that construction costs keep going up. Also, there has been considerable flood damage in the area because the dam isn't there and this will continue until the flood control portion goes into operation.

Another thing about the Green Peter project is that it has virtually unanimous support. There's nothing political about it. My good friend, Congressman Walter Norblad, of my State, whom you all know, of course, has stated his support for this job several times, in writing and otherwise. The Governor of Oregon—also a Republican—had originally hoped to appear before you in person this afternoon to speak on this very point. However, some important business in the State has made this impossible. Instead, Governor Hatfield sent me a letter last week which reads in part as follows:

> The construction of Green Peter Dam and Reservoir is of vital importance to the State of Oregon. The addition of this unit to the Willamette Valley project will be of great value in avoiding annual flood damages, as well as providing significant additional benefits.

The Governor goes on to say in his letter to me:

> * * * The lands along the South Santiam River are among the best in the State, and raise an abundance of diversified crops. Continued danger to these lands from uncontrolled floods cannot be justified. Delay in construction can only add to the annual loss, and to the ultimate construction cost.

Those, Mr. Chairman, are a couple of quotations from Governor Hatfield's letter to me, a letter which he specifically asked me to bring to your attention. If you have no objection I will include the entire text of the letter with my detailed satement for the hearing record.

2. I would like now to move briefly to another subject, the matter of a new approach by the Corps of Engineers to the serious problem of what has sometimes been known as deferred maintenance—in particular the rehabilitation of a number of seriously dilapidated jetties along the coastline of my district. I'm sure you know a lot more about this than I do, but I would like to make one important point. I am hopeful that, in addition to the two items for preconstruction planning funds now in the budget for such projects in my district, you will also consider adding a third such item, this one for the south

jetty of the Umpqua River near Reedsport in Douglas County. The jetty is in just as bad condition as the ones at the mouth of the Siuslaw River and the entry to Coos Bay.

The reason I mention these last two is that preconstruction planning money for both of them is in the budget, and should be. An amount of $50,000 is included for the Coos Bay job and $30,000 for the Siuslaw. My point is that the Umpqua situation is identical, and the Corps of Engineers is perfectly capable of going ahead with the planning for all three at the same time. It would take $30,000 to initiate and complete the planning on the Umpqua south jetty rehabilitation and this is the amount I hope wou will consider adding to the bill now before you.

As a matter of fact it's the only increase I am requesting for my district—a matter of $30,000.

There are, I admit, other projects I would like to see get underway and other surveys and investigations which should be in progress. Particularly, it would be helpful to see a construction start on the Fall Creek Dam and Reservoir project in Lane County. However, I'm realist enough to know that not everything can be done at once, and this is the first year Fall Creek has been eligible for a construction start. It's the third year for Green Peter, and I hope the last.

Otherwise, Mr. Chairman, I endorse the bill as introduced so far as the projects in my congressional district go—including both Corps of Engineers and Bureau of Reclamation jobs. I'm particularly pleased to note the item of $23,000 to get the planning underway on the long-delayed Coos-Millicoma navigation project in Coos County. A number of other flood control, irrigation, and navigation projects in my district have been dealt with fairly, though in a few cases I would like to have seen somewhat larger amounts budgeted.

However, again my comment is that we can't really be expected to do it all at once. If you will agree with me that the items budgeted for my district are sensible and that the $30.000 item I mentioned for the mouth of the Umpqua is also deserving then I will feel it's a good bill from the standpoint of the people of southwestern Oregon.

Thank you for letting me present my case here this afternoon, Mr. Chairman. Except for my written statement, that's all I have.

SUPPLEMENTAL WRITTEN STATEMENT OF CONGRESSMAN CHARLES O. PORTER ON ARMY CIVIL FUNCTIONS AND BUREAU OF RECLAMATION APPROPRIATIONS, FISCAL YEAR 1961 (JULY 1, 1960, TO JUNE 30, 1961)

Mr. Chairman, I appreciate having this opportunity to expand somewhat my testimony by submittting a written statement to supplement what I was able to say in the brief time I was before the subcommittee today. First, as promised in my oral satement, I submit herewith the full text of the letter to me from Gov. Mark O. Hatfield, of Oregon, dated April 4, 1960:

APRIL 4, 1960.

HON. CHARLES O. PORTER,
House Office Building,
Washington, D.C.

DEAR CHARLIE: Thank you very much for your recent letter and telegrams relative to the April 11 meeting of the Public Works Subcommittee on Appropriations. Unfortunately, important commitments in Oregon will prevent me from taking advantage of your kind arrangements for a personal appearance at that time. However, I am hopeful you will make the contents of this letter known to members of the subcommittee.

I am pleased that the President's budget for fiscal 1961 includes a substantial sum to allow commencement of construction of Green Peter Dam and Reservoir. As you know, during the past year I have several times indicated the desirability of getting this project under way, and have contacted the appropriate officials of both the administration and Congress, urging favorable consideration.

The construction of Green Peter Dam and Reservoir is of vital importance to the State of Oregon. The addition of this unit of the Willamette Valley project will be of great value in avoiding annual flood damages, as well as providing significant additional benefits. As you know, the lands along the South Santiam River are among the best in the State, and raise an abundance of diversified crops. Continued danger to these lands from uncontrolled floods cannot be justified. Delay in construction can only add to the annual loss, and to the ultimate construction cost.

I am advised that the Oregon Water Resources Board is presently preparing a summary of all projects in Oregon included in this year's construction program. You will be receiving a copy of this summary, together with recommendations of the board shortly. I am hopeful that through bringing this letter and the board's recommendations to the attention of the proper authorities you may assist us in assuring that these public works projects be pursued as expeditiously as possible.

Sincerely,

MARK O. HATFIELD, *Governor.*

Next I would like to include the full text of a letter to me from Maj. Gen. William F. Cassidy, the Assistant Chief of Engineers for Civil Works. The information contained in the letter regarding the Green Peter project and its alternate reregulators, White Bridge and Foster, was supplied at my specific request. I think it helps considerably to clarify the situation. The text follows:

MARCH 1, 1960.

Hon. CHARLES O. PORTER,
House of Representatives.

DEAR MR. PORTER: In accordance with your telephone request of February 17, 1960, I am furnishing the following information on the Green Peter Reservoir in Oregon.

The reservoir was authorized for flood control storage in the Flood Control Act approved May 17, 1950, and the authorization was modified to include power development by the Flood Control Act approved September 3, 1954. While the benefits from Green Peter Reservoir alone are fully adequate to warrant construction of this project, it will be necessary to provide for reregulation of releases in order to realize the full power potential of the site. For this reason, White Bridge Reservoir was authorized in the 1954 act to provide for reregulation.

Our preconstruction planning studies on Green Peter Reservoir, together with studies in connection with the Columbia River review report, have indicated the desirability of locating the reregulating dam at a different site. The location now considered preferable is called Foster site and is a few miles downstream from the White Bridge site. This new site would serve in lieu of White Bridge to reregulate releases from Green Peter incidental to power generation, would provide a greater at-site power generation than White Bridge, and would provide flood control (and streamflow regulation) benefits not possible of achievement with White Bridge. However, since further authorization is required before we can proceed with detailed planning on the Foster site, the White Bridge Reservoir is included, as previously, in the estimate for Green Peter Reservoir. The report on the proposed Foster project has been favorably acted upon by the Board of Engineers for Rivers and Harbors and is presently under review by the State of Oregon and the various interested agencies prior to transmittal to the Congress.

Although the final decision has not been made on the site of the reregulating dam, the scheduling of construction funds for Green Peter need not be affected. During any interim period prior to availability of reregulation by either White Bridge or Foster, Green Peter Reservoir could serve all authorized functions by operating temporarily at a high daily load factor to eliminate the fluctuations in flow which would accompany planned load factor operation and necessitate reregulation. Planning for the White Bridge portion of the Green Peter project is in abeyance pending congressional action on the Foster project.

The requested comparison of the estimated cost, average annual charges, benefits, and benefit-cost ratios for Green Peter Reservoir alone and in combination with the two alternative reregulating dams are as follows:

Item	Green Peter Reservoir alone	Green Peter with White Bridge	Green Peter with Foster
Total cost	$53,300,000	$64,000,000	$70,700,000
Average annual benefits	$3,361,300	$4,131,100	$4,830,300
Average annual charges	$2,691,100	$3,243,500	$3,546,100
Benefit-cost ratio	1.25	1.27	1.36

I trust the above information is sufficient for your present needs.

Sincerely yours,

WILLIAM F. CASSIDY,
Major General, USA,
Assistant Chief of Engineers for Civil Works.

Mr. Chairman, there is much to be said about the Green Peter project in addition to what I was able to present in my oral statement. However, I don't believe in overburdening the members of the subcommittee or the staff with vast quantities of detail which would likely never be read. There is certainly no real question of the need of the project, anyway. I think I would just like to point out that the $1,400,000 in the budget would be allocated by the Engineers as follows:

Reservoir land acquisition	$665,000
Relocation of the right bank road	200,000
Engineering and design cost	500,000
Supervision and administration	35,000

Actually, the Corps of Engineers has a capability for fiscal year 1961 on this project of $2,500,000—and naturally I would like to see the full amount appropriated. However, if the $1.4 million which is in the budget is approved, then I am informed that the long-range plan of the Corps of Engineers makes provision for an appropriation in fiscal year 1962 of $7.5 million, in fiscal year 1963 of $10 million, in fiscal 1964 of $15 million, in fiscal year 1965 of $13.5 million and completion of the project in fiscal year 1966 with a final appropriation of $5 million.

With the wide flucuation in employment in the area involved, such a construction program over the next 5 or 6 years would be an invaluable stabilizer. It would be wonderful to see it get started from that standpoint alone.

Passing to the other main subject of my oral testimony, I would like to comment additionally on the new approach by the Corps of Engineers to "deferred maintenance" items. I think it is a significant step forward that these are now to be considered as line items when they exceed $400,000 in total estimated cost. This way each of them will be justified before the committee and they can be considered on their merits.

I was in full agreement with General Cassidy on this matter after I had discussed it in detail with him in his office last January 19.

In this connection I would like at this point to submit for the record of the hearings a copy of the press release which I issued the next day in regard to this conference. I think it expresses my attitude on this matter better than anything else I could say. It also goes into some detail on other matters, including the Green Peter project, the allocation of funds for navigation and flood control surveys in my district and the matter of detailed fund allocations for fiscal year 1961 in connection with operation and maintenance of the many completed flood control and navigation projects in the Fourth District of Oregon. The text of the press release follows:

[Limited press release—Jan. 20, 1960, from the office of Representative Charles O. Porter, Washington, D.C.; for immediate release]

"DISTRIBUTION LIMITED TO WASHINGTON CORRESPONDENTS AND BUREAUS

"Congressman Charles O. Porter (Democrat, Oregon) met Tuesday with the Army Engineer Chief of Civil Works, Maj. Gen. William F. Cassidy, to discuss

detailed figures in connection with the administration budget transmitted to the Congress on Monday.

"Several new items of information were developed as a result of the conference between General Cassidy, Congressman Porter and his assistant, Jack Billings. Included in the newly released information were these items:

"(1) The construction program in fiscal year 1961 for the new start of the Green Peter project on the Middle Fork of the Santiam River in Linn County and the projected program of appropriations for the project over the succeeding 5 fiscal years.

"(2) The announcement by General Cassidy of an entirely new concept in budgetary procedure and financial planning in connection with what will now be called rehabilitation construction and was formerly known as deferred maintenance. Two major jetty rebuilding jobs costing several million dollars along the coastline of Oregon's Fourth Congressional District come under this category and prospects for construction within a few years are good.

"(3) The announcement of a new lump sum appropriation program for rehabilitation projects estimated to cost less than $400,000—also formerly part of the bloated deferred maintenance program. This program will eventually result in at least one smaller jetty job on the southwest Oregon coast and will probably include a number of other lesser, but still important, overhaul jobs on navigation and flood control existing projects.

"(4) The announcement of fund allocations for continuing one navigation and two flood control surveys in the Fourth District during fiscal year 1961.

"(5) The announcement of detailed fund allocations for fiscal year 1961 for operation and maintenance costs at five existing navigation projects and five existing flood control projects, including one major overhaul job—nearly $600,000 allocated for powerplant overhaul at Detroit Dam on the North Santiam River along the northern border of the Fourth District.

"Congressman Porter announced after the meeting with General Cassidy that fund allocations for the Fourth Congressional District as programed in the Corps of Engineers' section of the administration budget as submitted to Congress total $28,563,300. This is about $4,500,000 less than the Engineers had earlier said, in response to a question, "could be used" on all the eligible projects in the district, before the figures were worked over at the Bureau of the Budget. However, it is also about $6 million more than was recommended for Fourth District public works projects by the budget in fiscal year 1960.

"Details of the items listed above follow, numbered in the same order:

"(1) General Cassidy noted that the budget item for the Green Peter project, 1 of only 24 new construction starts in the United States and the first such new start in southwestern Oregon in several years, is $1,400,000. He said this would be expended as follows: $665,000 for acquisition of a reservoir property, $200,000 for initiating the relocation of the road along the right (northwest) bank of the river; $500,000 for detailed engineering and design expenses, and $35,000 for supervision and administration costs. In answer to a question by Congressman Porter, General Cassidy revealed the following plan by the Corps of Engineers for requested appropriations in the succeeding fiscal years: fiscal year 1962, $7,500,000; fiscal year 1963, $10 million; fiscal year 1964, $15 million; fiscal year 1965, $13,500,000; fiscal year 1966, $5 million. These projected figures are dependent to a considerable extent, of course, upon a variety of factors, including approval of the full amount for each by the Bureau of the Budget before submission to Congress, approval by both Houses of Congress, possible increases in material and labor costs above current figures, and the possibility of changing engineering requirements not presently foreseeable.

"(2) The Corps of Engineers has decided that its "Deferred maintenance" category under the "Operation and maintenance" section of the budget has been almost entirely unsatisfactory as a means of funding long overdue rehabilitation or reconstruction jobs on existing projects, chiefly the rebuilding or replacement of broken down jetties. The lump-sum category has been the target of considerable congressional criticism over the past several years. General Cassidy announced that he has received Bureau of the Budget approval of a new concept in which major rehabilitation projects will be included in the budget as line items under the "Construction, general" section. Each one will be separately justified before the Budget Bureau and before the congressional committees.

"General Cassidy expressed belief, and Congressman Porter agreed, that this system is much more likely to succeed in gaining appropriations for what the

Congressman called these stepchildren of the Nation's public works program. (An example is the south jetty of the Siuslaw River near Florence, in Lane County, Oreg., which has received absolutely no maintenance money since it was completed in 1917.) As a definite start toward construction, the 1961 budget submitted this week contains two items for such projects in the Fouth Oregon District; $30,000 is allocated for preconstruction engineering and design of the jetty rebuilding project on the Siuslaw and $50,000 is allowed for similar work on the south jetty at the entrance to Coos Bay, which has also been badly in need of repair for many years. In both cases, the amounts listed would complete the planning and the program calls for beginning construction in fiscal year 1962. Total estimated cost of the Siuslaw jetty is $1,100,000. Total estimated cost of the Coos Bay jetty is $2,800,000. General Cassidy told Porter that the fiscal year 1961 budget asks for a total of $500,000 in planning funds for similar projects throughout the country.

"(3) The smaller rehabilitation projects which have contributed to an immense backlog on the books of the Corps of Engineers will be handled under a lump-sum appropriation, similar to the program under which the Corps is now allowed to construct small (under $400,000) authorized projects without going to Congress for specific amounts of money. The same dividing line has been set up, with projects costing less than $400,000 to be included in an overall appropriation. One project which is eligible for such an allocation, but which is not scheduled for work in fiscal year 1961, is the jetty work at the mouth of the Coquille River near Bandon, Oreg., in Coos County.

"(4) The Bureau of the Budget apparently cut back drastically on figures for "General investigations" by the corps, preliminary surveys of possible projects. Of six authorized navigation surveys and eight authorized flood control surveys in the Fourth District, only one navigation and two flood control surveys were funded in the new budget. Listed were items of $11,300 to continue a survey of the Umpqua River Harbor, $25,000 to continue a study of the flood control situation on the upper Umpqua, and $30,000 to continue the comprehensive flood control investigation of the Rogue River. The $30,000 figure indicates that the corps does not expect to wind up its work on the Rogue during fiscal year 1961, since it is estimated that two to three times that amount will be required to finish the entire job.

"(5) A particularly large amount of money is planned for expenditure in the Fourth District for operation and maintenance of existing projects during the coming fiscal year. The largest item is for generator overhaul—a routine procedure every 10 years or so on multipurpose projects—at Detroit Dam on the North Santiam River, on the boundary between Linn and Marion Counties. The item totals $594,000. Largest navigation item for the Fourth District is $500,000 for dredging at Coos Bay. Another $100,000 is earmarked for dredging the Siuslaw entrance and harbor and for minor repairs to the north jetty.

"Other navigation amounts under operation and maintenance are: Chetco River, $10,000; Coquille River, $60,000; and Umpqua River, $65,000. Other figures for maintenance of existing flood control projects: Cottage Grove Reservoir, $47,000; Dorena Reservoir, $41,000; Fern Ridge Reservoir, $53,000; and Willamette River bank protection, $70,000.

"Incidentally, the Coos and Millicoma project, a navigation job in Coos County which is listed in the budget for $23,000 in preconstruction engineering funds, is of only 14 "new planning starts" in the country, according to General Cassidy. It is hoped that construction money for the project can be obtained in fiscal year 1962."

Mr. Chairman, I am not going to expend a lot of wordage on each of the other many, many projects in my congressional district, but I would like to include here a press release and a few tabulations. The press release, which was issued from my office on December 17, goes into some detail on the so-called can-use figures of the Corps of Engineers on projects in the Fourth District. Attached to it are three tabulations showing the names of the various active, authorized projects in my district, the total estimated Federal cost for each one, the amount which "could be used" in fiscal year 1961 and the work which could be accomplished with that amount.

I am also appending a tabulation showing the actual amounts which are in the budget, for the projects which are mentioned in the budget at all, and the work which would be accomplished with these amounts. In many cases the figures are different and a comparison of the tables will, I believe, be valuable.

Naturally, if I had my way, the bill before you would be so marked up as to include the full usable amounts for each of these projects, but I have no expectation of this and I'm not requesting it.

The press release and the various tables follow:

[Press release, Dec. 17, 1959, from the office of Representative Charles O. Porter, Washington, D.C.—For immediate release]

Spokesmen for the Army Corps of Engineers have informed Congressman Charles O. Porter (Democrat, of Oregon) that the corps will be able to utilize more than $33 million during fiscal year 1961, starting next July 1, on public works projects in the seven counties of Oregon's Fourth Congressional District.

If approved by the Bureau of the Budget and congressional Appropriations Committees this would mean two "new starts" in the district as well as funds to continue several projects now under construction. The projects scheduled for new construction money on the corps' timetable are Green Peter Dam and Reservoir on the middle Santiam River in Linn County and the Fall Creek Dam and Reservoir on Fall Creek in Lane County.

The big, $64 million Green Peter project is a combined flood control and power installation which has been ready for a construction start since 1957. However, a rigid administration policy of "no new starts" has delayed action on the job. Maj. Gen. William F. Cassidy, the Assistant Chief of Engineers for Civil Works, told Congressman Porter that his organization would be able to use $2,500,000 for the project in the period from July 1, 1960, to June 30, 1961.

The Fall Creek project will cost $23,700,000 when completed and General Cassidy has indicated that the corps will be able to use $1,500,000 of this amount during the next fiscal year.

Porter and his staff conferred at length last week with General Cassidy and his subordinates in an effort to iron out details of the coming year's program. Still undecided is whether money will be available next spring to begin rehabilitation of the south jetty at the mouth of the Siuslaw River. A decision on this is not expected for several months.

Of the $33 million total "can-use" figures for the Fourth District, more than $30 million is listed for construction items, namely $2¾ million for operation and maintenance of existing projects and about a quarter million dollars for investigations and surveys of potential projects in the various watersheds and along the coastline of southwestern Oregon.

Largest single items in the list of amounts usable for fiscal year 1961 as released by General Cassidy are two multiple-purpose projects in Lane County: $12,300,000 for Cougar Dam and Reservoir on the south fork of the McKenzie River and $10,500,000 for Hills Creek project on the middle fork of the Willamette near Oakridge. Another sizable item is $2,018,000 for the Gold Beach Harbor project at the mouth of the Rogue River. This amount will complete the navigation project at that location, according to General Cassidy.

Largest amount listed for a project investigation is $75,500, the amount estimated by General Cassidy to complete a flood control survey of the Rogue River basin.

Largest amount in the "operation and maintenance" section of the list is $820,000 for jetty repair and dredging work in the Coos Bay harbor and entrance. Another $300,000 is earmarked for work on the south jetty of the Siuslaw during fiscal year 1961, but General Cassidy noted that this would be contingent on the ability of the engineers to dig up funds to begin work on the jetty next spring. Two other large project operation items are $596,000 for Detroit reservoir in Linn county and $554,000 for Lookout Point Reservoir in Lane County.

"Next step in the process," noted Porter, "is the Bureau of the Budget. We won't know what the Bureau has approved until the President's budget message is submitted to Congress early next month. After that the figures will be subjected to the always-tough scrutiny of the two Houses of Congress."

Last year the Bureau of the Budget came up with recommendations for spending only about $22½ million on Army Engineer projects in southwestern Oregon and the final figures approved by Congress were only slightly higher.

Porter's conference with General Cassidy was one of a series of such meetings he has organized for the period before Congress reconvenes in January in order to line up legislative goals for Oregon's Fourth Congressional District.

(EDITORS, PLEASE NOTE: Attached are four pages of a mimeographed chart showing "can use" figures approved by the Office of the Chief of Engineers for

projects in Oregon's Fourth Congressional District for your possible use in further localizing the story. The information is divided into three tables: "construction," "general investigations" and "operation and maintenance.")

Construction

ACTIVE AUTHORIZED PROJECTS IN 4TH CONGRESSIONAL DISTRICT OF OREGON

Project	Total estimated Federal cost	Amount which could be used in fiscal year 1961	Work to be accomplished with amount in col. 3
(1)	(2)	(3)	(4)
A. Not started:			
Navigation—channels and harbors:			
Coos and Millicoma Rivers	$554,000	$23,000	Initiate and complete planning.
Siuslaw River	1,990,000	21,000	Do.
Willamette River above Portland and Yamhill River	2,420,000	45,000	Initiate planning.
Flood control projects—local protection:			
Willamette River Basin, channel improvement and major drainage:			
Area east of Albany	791,000	10,000	Do.
Bear Creek	285,000	26,000	Initiate and complete planning.
Coyote and Spencer Creeks	1,370,000	0	Pending local cooperation.
Flat Creek	1,400,000	50,000	Initiate planning.
Shelton Ditch	1,800,000	50,000	Do.
West Muddy and Marys River	2,990,000	50,000	Do.
Willamette River Basin, channel clearing and snagging.	3,020,000	35,000	Initiate and complete planning.
Flood control projects—Reservoirs:			
Blue River Reservoir	16,900,000	136,000	Complete planning.
Fall Creek Reservoir	23,700,000	1,500,000	Initial construction.
Holley Reservoir	13,300,000	0	Pending completion of Calapooya River report.
Multiple purpose projects, including power: Green Peter Reservoir.	64,000,000	2,500,000	Initiate construction.
B. Continuing:			
Navigation channel and harbors: Rogue River at Gold Beach.	4,236,000	2,018,000	Complete construction.
Flood control—Local protection: Willamette River bank protection.	12,400,000	800,000	Continue construction at critical locations.
Flood control—Reservoirs: None			
Multiple purpose projects—Including power:			
Cougar Reservoir	49,200,000	12,300,000	Continue construction.
Hills Creek Reservoir	46,100,000	10,500,000	Do.
Total		30,064,000	

GENERAL INVESTIGATIONS, 4TH CONGRESSIONAL DISTRICT, OREG.

Study	Total estimated Federal cost	Amount that could be used in fiscal year 1961	Work to be accomplished with amount in col. 3
(1)	(2)	(3)	(4)
A. Navigation:			
Chetco River	$19,000	$6,000	Initiate study.
Coos Bay	6,000	5,000	Do.
Coquille River	17,400	8,400	Continue study.
Rogue River—Gold Beach	11,000	3,000	Initiate study.
Siuslaw River	15,800	10,000	Do.
Umpqua River	23,000	11,300	Complete study.
B. Flood control:			
Amazon Creek	35,000	13,000	Initiate study.
Calapooya River	91,000	30,000	Do.
Coquille River	41,000	14,000	Complete study.
Horse Creek	23,500	23,500	Initiate and complete.
Rogue River	287,500	75,500	Complete study.
Salmon Creek	2,500	2,500	Do.
Thomas Creek	22,000	10,000	Initiate study.
Umpqua River	200,000	49,900	Complete study.
Total		262,100	

Operation and maintenance and rehabilitation capabilities fiscal year 1961—Projects located in the 4th Congressional District of Oregon

Project:	Amount that could be used in fiscal year 1961
Coos Bay	$820,000
Coquille River	67,000
Chetco River	51,000
Siuslaw River	300,000
Umpqua River	76,000
Cottage Grove Reservoir	56,000
Dorena Reservoir	61,000
Fern Ridge Reservoir	85,000
Willamette River bank protection	75,000
Detroit Reservoir	596,000
Lookout Point Reservoir	554,000
Total	2,741,000

Amount in fiscal year 1961 budget for projects in the 4th Congressional District of Oregon

Project	Amount in budget	Purpose
CONSTRUCTION, GENERAL		
Coos and Millicoma	$23,000	Complete preconstruction planning.
Rogue River, harbor at Gold Beach	2,018,000	Complete construction.
Blue River Reservoir	136,000	Complete preconstruction planning.
Willamette River bank protection	500,000	Work at Barclay location, Wilkenson location, Bryant location, Barnum location, Centenial Island location and Kelso location.
Cougar Reservoir	12,300,000	Continue construction.
Green Peter Reservoir	1,400,000	Initiate construction.
Hills Creek Reservoir	10,500,000	Continue construction.
GENERAL INVESTIGATIONS		
Navigation:		
Umpqua River	11,300	Continue study.
Flood control:		
Rogue River	30,000	Continue study.
Umpqua River	25,000	Continue study.
OPERATION AND MAINTENANCE, GENERAL		
Chetco River	10,000	Dredging.
Coos Bay	500,000	Dredging.
Coquille River	60,000	Dredging.
Siuslaw River	100,000	Dredging and jetty repairs.
Umpqua River	65,000	Dredging.
Cottage Grove Reservoir	47,000	Replace trash rack.
Dorena Reservoir	41,000	Recurring maintenance.
Fern Ridge Reservoir	53,000	Recurring maintenance.
Willamette River bank protection	70,000	Recurring maintenance.
Detroit Reservoir	594,000	Overhaul powerplant equipment and repair project facilities.
CONSTRUCTION REHABILITATION		
Coos Bay	50,000	Initiate and complete planning.
Siuslaw River (south jetty)	30,000	Initiate and complete planning.

Mr. PORTER. Mr. Chairman, that completes my testimony. I just want to state again that I fully realize the heavy load this committee has to carry, especially at this time of the year when half the people who come to Washington are down at the tidal basin looking at the cherry trees and the other half are lined up outside the door to this room waiting their turn to pound the table over some favorite project.

I know how much you have to do and I hope I haven't made your

job any harder. I've tried to make all the facts available as I see them. If you have any questions about anything, please let me know and I'll try to get the answers.

Thank you again for letting me state my case, which I now rest. I will now ask Mr. Price to say a few words.

STATEMENT OF MR. NORMAN D. PRICE, JR.

Mr. PRICE. My name is Norman D. Price, Jr., executive secretary of the Port of Siuslaw Commission. This port district encompasses the Siuslaw River watershed with a population of some 20,000 people. It is the only seaport in Lane County, the fastest growing county in Oregon. This growth has been exceeded in Oregon, Washington, and Idaho only by those counties which include the metropolitan areas of Seattle, Tacoma, and Portland.

This port district is the oldest in the State of Oregon and perhaps the most neglected. It was created in 1909. Prior to the rebuilding of the north jetty in 1957–58 not one cent of maintenance work had ever been done on the jetties.

After the north jetty was rebuilt the Corps of Engineers wanted to wait and see if this work, coupled with Mother Nature, would not suffice. It was purely an experiment. The corps has now admitted that only a south jetty can solve our problem.

The budget under consideration has an item for advance engineering and design in the amount of $30,000 for our south jetty.

We have been informed that an additional $170,000 could be economically used in fiscal year 1961.

It has been 3 years since the north jetty was reconstructed at a cost of several hundreds of thousands of dollars. Alone, this jetty is useless, possibly even creates additional problems.

Our winter storms are always accompanied by strong littoral ocean currents running from south to north. The lone north jetty acts the same as a drift fence, with the current piling the sand up against it and causing a shoaling condition.

This shoal remains until the northerly current abates and the riverflow can scour out the shoals. This may require months, as the velocity of the river is dissipated over a wide area because of the lack of a south jetty to confine the river current.

Dredging is not the answer. It is not physically possible to do the dredging when the need arises because of the violent seas. When the jetties were both in good repair the channel was maintained without any dredging. Under present conditions, the channel has shoaled as much as 6 feet overnight.

These shoaling conditions cause severe interruption of our economy which is based primarily on lumber. The Siuslaw National Forest contains one of the largest remaining stands of Douglas-fir. It is predominantly second-growth timber, being best suited for the manufacture of construction-type lumber rather than of high-grade lumber.

The lumber is all sold in a green, or wet, state and consequently is extremely heavy. Because of the weight severe penalties are incurred in rail shipments. These overweights amount to as much as $10 per thousand board feet, or $300 for one carload.

Oregon is perennially faced with a box car shortage. These shortages coincide with the peak of the highly volatile lumber prices. Thus,

many a producer operates at a loss most of the year and then cannot take advantage of a rising market because of the lack of transportation. We on the Oregon coast are especially hurt in this instance because of being on branch rail lines which have no competition.

The best market for the lumber produced in this area is southern California. This is true because we produce construction lumber and this market has the most steady demand without the drastic seasonal variations of other available markets.

Because of the weights involved and the shortages of boxcars, water transportation is absolutely necessary if our mills are to continue to operate and meet the competition of lumber produced in Canada with its much lower labor and timber costs.

Further delay is costly. In October 1958 a tug was sunk on the shoal at the mouth of our river. The total loss was some $400,000, all because of the lack of an adequate south jetty.

Thousands and thousands of dollars have been wasted while tug crews sat bar bound. Pacific Northwest harbors have the most violent bar conditions encountered anywhere in the world because of the huge swells built up in the broad reaches of the Pacific. When these swells curl over on reaching shallow bars, it makes a comber so powerful that it can break an ocean liner into pieces. Naturally, the deeper the water the fewer swells that break over with such destructive force.

Hull insurance rates were recently increased 35 percent on vessels calling on the Siuslaw because of the lack of maintenance of our entrance. Any further disasters will result in cancellation or prohibitive rates of all insurance. Then movement of our lumber by water will cease.

Payrolls of 4 or 5 of our largest mills, employing nearly 1,000 people will also cease. A market that has been built up from nothing in 1953 to some 70,000 tons annually will be destroyed. Then we will not be asking for money to preserve a public investment of some several million dollars, we will be asking for unemployment assistance. A liability instead of an asset to America's economy.

The following figures show the amount paid into the Federal Treasury in 1 year by just one of the mills dependent upon water transportation.

Department of Agriculture:	
Timber	$410,041.17
Internal Revenue Service:	
Employees withholding	84,320.40
F.I.C.A	21,704.54
Federal unemployment	917.28
Corporate income tax	115,692.94
Total	632,676.33

Including interest on the bonds, local financial participation up to 1956 exceeds Federal expenditures by some $400,000. The port of Siuslaw is the only port on the Oregon coast in which local government has had more money invested in construction than the Federal Government.

We respectfully request that the item for the Siuslaw south jetty reconstruction be increased to $200,000 in order to preserve both the Federal and local investment.

Mr. PORTER. I would like to introduce Mr. Davidson.

STATEMENT OF MR. C. GIRARD DAVIDSON

Mr. DAVIDSON. My name is C. Girard Davidson and I am testifying today at the direction of the board of directors of the port of Coos Bay, Coos Bay, Oreg. I serve as attorney for the port.

Mr. Chairman, Coos Bay is the largest lumber port in the world. Of specific concern to the port at this time are two projects: The Coos and Millicoma Rivers project authorized in 1896 and reauthorized in 1948 and the project for the repair of the south jetty and it is in this regard that I direct my remarks.

COOS AND MILLICOMA RIVERS PROJECT (CONSTRUCTION, GENERAL)

This project consists of the removal of shoals and sandbars which prevent any navigation movement on the Coos and Millicoma Rivers at low tide. Local interests are able and willing to furnish all required local cooperation. In Senate Document 124, 80th Congress, 2d session, the Army Engineers found that the project has a 2.24 to 1 benefit-cost ratio and recommended its construction.

For 62 years the Coos and Millicoma Rivers project has languished in various planning stages. It was, in fact, first authorized by Congress in 1896, the last year President Grover Cleveland held office. In 1948, the Secretary of the Army, in a letter to the chairman of the Senate Committee on Public Works (Doc. No. 124) strongly recommended the project and the definite project was actually granted in that year. Only the public works freeze necessitated by the Korean conflict prevented the project being funded and accomplished.

While the Army Engineers, at this time determined the total cost of the project to be $520,000, the present request is for only $23,000 to undertake 1961 preconstruction planning. This project has been included in the President's budget before this committee and we strongly urge this amount be appropriated.

Mr. Chairman, this project is not complicated. The city of Coos Bay is a coastal port city, located 138 miles north of the California State line. The Millicoma River joins with the Coos River 11 miles east of Coos Bay and flows through the city into the 32-foot ship channel.

The definite project would deepen and widen the river channels to a 5-foot depth at mean lower low water and a 50-foot width from the bay to the heads of navigation on the Coos and Millicoma Rivers.

Mr. Chairman, the completion of this project will enable barge traffic to operate on these streams. The various communities affected—Coos Bay, East Side, North Bend, Allegany, and Dellwood—do not enjoy the interlinking service of a common carrier railroad and are connected only by secondary highways and county roads. Water transportation is the lifeblood of these towns and cities. In order that they can continue to survive, their waterways must be improved.

The project alone would allow the barging of some 50,000 to 60,000 yards of gravel and crushed rock by which private timber companies could and would maintain timber access roads. This is most meaningful to the logging industry as the improvement in the access roads, accompanied by the reduction in flood potential which will be realized by a wider and deeper channel will result in less road washouts and can be considered an important step toward gaining ultimate year-

around employment—the objective of all people in this area. Furthermore, the project would allow rafted commerce including freight, machinery, and supplies between these communities; and the deeper, broader channel would permit the rafting of an estimated 800,000 tons of logs downstream to the mills at Coos Bay. In addition, deposits of lignite coal, sandstone, and basaltic rock could, with this improvement, be opened to provide new industry and jobs.

In 1948, according to the Army Engineers' report, the expected benefits were even then estimated to be $80,200 annually; 10 years' growth would increase this sum measurably. Annual Federal and non-Federal costs, including maintenance, in 1948, were estimated at $35,780. The benefit ratio was then cited by the Engineers' report to be 2.24 to 1.

Last year I was in Washington at this time and discussed this project with several members of this committee. However, it was not then included in the President's budget. The port of Coos Bay, however, had only recently received important additional information relating to the project's feasibility from the Bureau of Land Management of the Department of the Interior. As a result this planning item of $23,000 was added in the Senate despite the fact that it had not been recommended by the Budget Bureau. However, the item was eliminated on conference. But the additional information was made available to the Army Engineers and as a result the President has this year recommended an appropriation of the $23,000 planning money for this Coos-Millicoma project for fiscal year 1961 as a line item.

This additional information to which I refer was incorporated in a letter dated February 20, 1959, from the Bureau of Land Management of the U.S. Department of the Interior to the port of Coos Bay. This agency recited that it alone had over 1 billion feet of timber tributary to the Coos-Millicoma Rivers which would be benefited by the removal of shoals and the dredging contemplated by this project. A copy of this agency letter is attached to this testimony and should be incorporated into it. You will note that the Bureau of Land Management states that it would be $1.69 per thousand board feet of timber cheaper for the Government to tow timber by rafts from Dellwood, Oreg., the head of tidewater, to Coos Bay, where the sawmills are located, than to haul the timber to the mills by trucks. This would mean that this Government agency alone would save $1,774,500 on timber that is presently merchantable by the Government spending the $520,000 necessary to do the dredging and shoal removal called for by the project. The volume of private timber in the area which would likewise be benefited by this project even exceeds the Government timber.

If this ratio of 3 to 1 on Government timber alone—which was not taken into consideration when the Army determined a 2.24-to-1 ratio, is added to this ratio the Coos-Millicoma project would have better than a 5-to-1 benefit-cost ratio or 8 to 1 if the private timber tributary to the drainage area is also included.

Mr. Chairman, in 1948 the Secretary of Army, following an exhaustive study, found this project to be worthwhile. Since that date, with the continued growth of our great State of Oregon, the related conditions would show only that the project is the more warranted and even more necessary.

We respectfully urge this appropriation of $23,000 of planning funds.

COOS BAY SOUTH JETTY (CONSTRUCTION—REHABILITATION)

The President's budget request also includes a line item for $50,000 in planning and design funds for rehabilitation of the south jetty at Coos Bay.

The south jetty was originally built in 1928 and was rebuilt in 1942. During the fiscal years 1957 and 1958 repairs costing approximately $1,500,000 were made on the north jetty protecting the Coos Bay Channel. This north jetty was approximately the same age and the same state of repair as the south jetty but the latter has now deteriorated to such an extent that it is seriously in need of immediate rehabilitation and repair. The south jetty is broken; the concrete cap is approximately three-fourths gone; and the seas passing through the jetty from the south deposit sand in such quantities that the repairs would be much more economical than the continued dredging of the channel. The exact cost of these repairs cannot be determined until the necessary work on advanced planning and design is completed. It is for this latter item of $50,000 requested in the President's budget that we respectfully urge an appropriation.

Local interests will furnish, free of cost to the United States, all lands, easements, rights-of-way, and spoil-disposal areas necessary for construction and all future maintenance of the work when and as required for the Coos and Millicoma Rivers project; and will provide every cooperation and assistance in the survey required for the rehabilitation of the south jetty as Coos Bay. In addition, the people of this area will construct, operate and maintain adequate terminal facilities open to all on equal terms.

The people of Coos Bay ask only that Congress assist in these two projects which they alone cannot undertake, and thus provide the opportunity through which they can then move ahead and further help themselves toward insuring a decent future for themselves and their communities.

(A letter dated February 20, 1959, from the Department of the Interior to Mr. Robert J. Harrington, Coos Bay, Oreg., follows:)

DEPARTMENT OF THE INTERIOR,
BUREAU OF LAND MANAGEMENT,
COOS BAY DISTRICT OFFICE,
Coos Bay, Oreg., February 20, 1959.

Mr. ROBERT J. HARRINGTON,
Manager-Engineer, Port of Coos Bay,
Coos Bay, Oreg.

DEAR MR. HARRINGTON: As you requested in your letter of February 13, 1959, we are submitting statistical information relating to the dredging of the south fork of the Coos and Millicoma Rivers. The Millicoma drainage or tributary area contains only a small acreage of Government land with little or no timber volume. A dredging operation here would not benefit the Government.

The south fork of the Coos River drainage or tributary area is characterized by a checkerboard pattern of intermingled Government and private ownership. As a result the Government (BLM) manages almost half of the tributary volume as shown below:

	(MM)	*Percent*
Bureau of Land Management	1,050	40.2
Private	1,560	59.8
Total	2,610	100.0

A comparison shows that rafting from Dellwood (head of tidewater) to Coos Bay is $1.69 cheaper than truck haul. Applying this figure to the Bureau

of Land Management managed timber volume, the Government saving over a long period of time could be approximately $1,774,500. This figure is applicable to the timber that is now merchantable and based upon coming down the river to Coos Bay. At this time, log dumping facilities at Dellwood are entirely inadequate. Before any advantage of the cheaper transportation (rafting) can be realized, a log dump at or near Dellwood with a daily capacity of 1 million board feet or more, should be made available for Government timber.

Negotiations are now in progress with the private landowners for the use of the existing south fork of the Coos road. Without a satisfactory road use agreement with the private landowners, the improvement of the south fork of the Coos rafting facilities would have little or no value to the Bureau. There is good possibility of consummating an agreement in the not too distant future.

The volumes and costs quoted are estimates based on available information. Volumes may increase as better utilization practices are introduced.

Very truly yours,

B. T. VLADIMIROFF, *District Manager.*

Mr. CANNON. Do you have anything further, Congressman Porter?

Mr. PORTER. Nothing.

Mr. CANNON. We appreciate your presentation.

WEDNESDAY, APRIL 13, 1960.

OPPOSITION TO LEVEE UNIT NO. 5, ILLINOIS

WITNESSES

HON. HARRY MILLER, MAYOR OF MOUNT CARMEL, ILL.
LEONARD M. KOGER, JR., CHAIRMAN, WABASH COUNTY FLOOD PROTECTION COMMITTEE, WABASH COUNTY, ILL.

Mr. CANNON. We will now hear from Mayor Miller of Mount Carmel, Ill., and Mr. Koger.

Mr. KOGER. My name is Leonard Koger. I have with me Mayor Miller.

Mr. CANNON. You wish to be heard in opposition to levee unit No. 5.

Mr. KOGER. The Wabash County Flood Protection Committee came into existence in August 1956, when certain Indiana property owners were petitioning Indiana Gibson County circuit court to create Levee District No. 5 preparatory to seeking Federal funds for construction of Indiana levee unit No. 5 on the Indiana side of the Wabash River. Indiana levee unit No. 5 received congressional authorization under a Flood Control Act adopted June 22, 1936.

This committee was created for the express purpose of opposing all efforts to consummate the construction of levee unit No. 5 in Indiana, opposite Mount Carmel and Wabash County, Ill. The committee represents several hundred property owners in Mount Carmel and Wabash County. Among the groups supporting the work of this committee are industrial plants, including a large paperboard factory, a lumber company, a sand and gravel company, a grain elevator, a farm implement company, and an electric and gas company. There are small business establishments supporting the committee. It has the backing of the City Council of Mount Carmel, the Mount Carmel Chamber of Commerce and the county board of commissioners.

Civic organizations of the area support the committee's work, as well as the county farm bureau organization, and other groups.

The Wabash County Flood Protection Committee has been active during the past 4 years alerting residents of Wabash County to the potential and inherent dangers which come with construction of a levee such as the one proposed opposite their community. The committee has also helped those property owners, both individuals and business establishments file over 325 intervening petitions in Gibson County circuit court remonstrating to the formation of the levee district.

Wabash County, located in the southeasterly part of Illinois on the right bank of the Wabash River, is one of the smallest counties in the State. The county covers an area of nearly 220 square miles and has a population of approximately 15,000. The area is predominantly agricultural with 85 percent of the land devoted to crops, pasture, and woodland. The soil in the county is rich and productive, yielding wheat, hay, oats, vegetables, and providing abundant food for livestock. Since 1939, numerous oil wells have appeared in many parts of the county and millions of barrels of oil have been pumped from the still productive area.

The normal average temperature in Wabash County is 56° Fahrenheit with an average maximum and minimum of 78° for July and 32° for January. Recorded temperature extremes are 112° above and 22° below zero. The normal annual precipitaion in Wabash County is 42 inches.

Mount Carmel, the county seat of Wabash County, has a population of approximately 10,000. Other smaller communities in the county are Allendale, Keensburg, Bellmont, Lancaster, Cowling, Friendsville, and Patton. Wabash County has for its eastern boundary approximately 40 miles of Wabash River bank.

Mount Carmel lies opposite the mouths of the White and Patoka Rivers which empty into the parent stream from the east bank at Wabash River miles 95.6 and 94.6, respectively. Mount Carmel is laid out on a square street pattern and covers an area of approximately 1,285 acres along a bluff which fringes the lowlands adjacent to the right bank of the river. About one-third of the city area, 410 acres, is located in the flood plain. Development in this area is primarly industrial and residential. Industrial establishments include sand and gravel works, lumberyard, grain elevator, paper company, logging operation and farm implement company as well as local electric and gas plant, city water intake, city pumping station and city sewerage plant.

The Wabash River gage is located on the property of the local electric and gas company and daily records are kept by that organization. The gage location is approximately 94.5 river miles above the mouth of the Wabash River. The gage zero elevation at this point is 371.46 feet above sea level and the flood stage is 17 feet. The maximum stage within the period of record for this gage is 31 feet which was measured on March 30, 1913. The maximum discharge measurement at this point is 279,000 cubic feet per second and the minimum is 2,060 cubic feet per second. The estimated average annual runoff volume is 17,548,000 acre-feet, or 11.51 inches depth over the drainage basin above Mount Carmel. This volume corresponds to an average discharge of 24,800 cubic feet per second.

There are no records to indicate the March 1913 flood has ever been exceeded at Mount Carmel. The following chart gives the dates and stages for the major floods experienced in Wabash County.

Flood crest date:	Crest stage (feet)	Flood crest date:	Crest stage (feet)
Aug. 9, 1875	28.3	Apr. 24, 1939	25.2
Apr. 2, 1904	27.1	May 25, 1943	27.5
May 13, 1908	24.9	Apr. 16, 1944	——
Mar. 30, 1913	31.0	Apr. 26, 1948	22.9
Feb. 7, 1916	26.7	Jan. 23, 1949	25.9
Apr. 23, 1922	26.0	Jan. 16, 1950	27.0
June 2, 1927	24.8	Feb. 18, 1950	25.5
Jan. 17, 1930	27.1	Apr. 9, 1950	22.96
Mar. 29, 1933	23.7	Feb. 20, 1951	23.87
May 20, 1933	26.1	July 7, 1957	23.00
Jan. 23, 1937	27.0	June 15, 1958	24.6
Apr. 16, 1938	23.9	Jan. 30, 1959	22.98
Mar. 20, 1939	24.7	Feb. 20, 1959	23.6

In Wabash County, agricultural losses resulting from flood damage for the year 1957 amounted to $300,000. Over 10,000 acres of land were involved. In 1958, the estimated amount of flood damages for the county was $375,000, involving approximately 12,000 acres.

Flood damage in the urban area of Mount Carmel begins when the river stage reaches 23 feet. Serious damage begins at the stage of 27 feet. At the 27½-foot stage, floodwater covers the railroad siding on the property of the electric company making impossible the delivery of coal which is necessary for electric generation. The same stage is critical to a large paper manufacturing plant located in the same area, as well as the sand and gravel company, lumberyard, and sewage plant. At a 31-foot flood stage, the city water plant becomes inoperative.

These industries have located on the flood plains of the Wabash River for essentially two good reasons: (1) The need for water transportation as in the case of the sand and gravel operations, which also obtains its raw material from the bed of the river; and (2) the need for large volumes of water for cooling and processing purposes. Both the large paperboard manufacturing concern and the electric generating company mentioned previously use vast amounts of water for these purposes.

It is true anyone building in such an area should expect to contend with the natural or regulated floodflow of water. These industries have taken precautions to mitigate against natural floods, but they are not prepared to suffer losses through increased flows and flood heights caused by acts of others. Nor should they be required to do so.

The flood risk in the past has had very little effect on industrial property values. It is admitted that possibility of flooding may have served to depress residential property values and probably has prevented, to some extent, normal repairs and maintenance.

Flood warning in ample time to permit the safe evacuation of persons from the flood plain is normally possible due to the slowly rising flood hydrograph. Consequently, loss of life from floods is improbable and there is no record or recollection of any loss of life in the county due to floods. Neither does the record indicate there has ever been an epidemic attributable to the floods.

Records of the average annual direct and indirect flood damages are not available for the city of Mount Carmel. In a report made by

the Department of Army, Corps of Engineers, Louisville District, April 15, 1948, the average annual direct and indirect damages for the flooding conditions at that time were estimated to be $17,300 and $4,900, respectively, in terms of 1948 dollars.

Mount Carmel and the adjacent rural areas in the county have no flood protection. Congress has authorized no flood protection projects for the area. However, Congress has authorized the construction of an agricultural levee on the Indiana side of the Wabash River.

The project known as levee unit No. 5 is located in Gibson and Posey Counties, Ind., on the left bank of the Wabash River opposite Mount Carmel and Wabash County. The plan involves the construction of an earth levee system which would provide protection for approximately 45,000 acres of Indiana land against a flood equal to that having an average frequency of seven times in 100 years. This project received congressional authorization by the Flood Control Act adopted on June 22, 1936. The estimated cost of the work is approximately $10 million for construction and over $600,000 for land and damages.

Indiana landowners began the necessary steps to form the required levee district several years ago. This first attempt resulted in an adverse Indiana Supreme Court decision. Again in 1956, the Indiana interests initiated the formal court proceedings necessary to establish the levee district which would be the authority responsible for operation and maintenance of the levee. The petition requesting the Gibson County circuit court to establish the levee district was signed by five large landowners of Gibson and Posey Counties. In their petition, they set out the physical facts of the levee. These physical dimensions are identical to levee plans previously submitted by the Corps of Army Engineers, Louisville District.

Levee unit No. 5 is described as an earth levee with an average height of 11 feet, an average base width of 78 feet, and a crown width of 12 feet. The proposed levee is 45.2 miles long and designed to protect some 45,000 acres of land. The levee begins at a point approximately 3 miles southwest of Patoka, Ind. From that point, the levee will carry west along the south bank of the Patoka River for approximately 8 miles. There, where the Patoka flows into the Wabash directly opposite Mount Carmel, the levee turns toward the south and runs along the left or east bank of the Wabash River following it to the point where the Black River empties into the Wabash. From there the levee traverses up the northerly bank of the Black River in a northeasterly direction to a point known as Johnson. It is interesting to note that of the 45,000 acres of land the levee will protect, over one-third is owned or controlled by only a few landowners.

The top of the levee opposite Mount Carmel will be at an elevation of 404½ feet above sea level. In order to top the levee, the flood crest will reach 33 feet on the Mount Carmel river gage. This is somewhat higher than the record 1913 flood. The Corps of Army Engineers terms the levee a 15-year levee, indicating it will be overrun on an average of once every 15 years. According to testimony of Mr. S. M. Bailey, Chief, Engineering Division, U.S. Army Engineer District, Louisville, during a hearing held relative to the formation of level district No. 5, when the levee is overrun a portion of it will be washed away and would afford no protection. Such condition would

prevail on the average of once every 15 years. Mount Carmel has not experienced such a flood for over 47 years.

The Engineers also state that under the conditions of confinement created by the levee the 23-foot stage (the stage at which damage begins in Wabash County) would be equaled or exceeded on the average of once every 1½ years or about the same as under present conditions of stream confinement. Also according to Mr. Bailey, under conditions of confinement produced by construction of the levee it is estimated the increase for the highest stage at which confinement will be operative, or the maximum increase, will be 5 feet. Major floods having a stage of 27 feet would be equaled or exceeded on the average of about once every 4 years as compared to once every 11 years under the present conditions of confinement. It is estimated that the average annual flood damage would be slightly over twice the estimated damage without confinement.

Although the flood plains in the eastern portion of Wabash County are somewhat defined because of the abrupt increase of elevation at the edge of the flood plain, confinement created by the proposed Indiana levee would tend to have disastrous effects on agricultural and urban property in the Illinois flood plan. Not only would the frequency of major floods increase but the floodwaters would remain standing on agricultural land for a greater length of time. At the same time the current of the stream would increase considerably thereby causing scouring and erosion of the agricultural land. Crop losses caused by the overflow onto Illinois farmland would make the soil incapable of being farmed in an efficient and husbandmanlike manner. Such conditions would force eventual abandonment of acreage as tillable land.

In the vicinity of Rochester, Ill., there is now a structure known as Rochester-McCleary Bluffs levee designed to protect a portion of the agricultural land in the south part of Wabash County. This levee, constructed at the expense of the landowners protected by it, would be greatly endangered if proposed levee unit No. 5 on the opposite side of the river were built.

Property owners in Mount Carmel and Wabash County fear the construction of the proposed levee unit No. 5 will cause great economic loss. Soon after proceedings began in Gibson County circuit court requesting establishment of the levee district hundreds of Mount Carmel and Wabash County residents filed intervening petitions opposing such action. In these intervening petitions the opponents of the levee swore the value of their property would be decreased to the extent of some $6 million if the proposed levee were constructed. In 1958 Special Judge Lester Nixon of the Gibson County circuit court held that the court had no jurisdiction to hear the objections of the Illinois residents. Therefore, Wabash County property owners are without recourse in the Indiana proceedings. Many Indiana residents outside the levee, and on the north side of the Patoka River, as well as pipeline and oil companies continue to oppose the formation of the levee district.

As of this date, the formation of the levee district for Indiana levee unit No. 5 is still in litigation in the Gibson County circuit court. So long as this question is still before the court it would seem questionable as to whether Congress would want to appropriate further funds

for surveys, studies, detailed planning or actual construction, if it were aware of this fact.

Throughout the long and vigorously contested court proceedings it has been apparent that Illinois landowners will not be awarded compensation for the $6 million damages they will suffer if the authorized levee is constructed. The court has held it has no jurisdiction to hear the intervening petitions and the claims for damages of Illinois property owners. It follows that at the same time it would have no jurisdiction to award damages to those same property owners.

An organization known as the Wabash Valley Association has actively promoted development of the Wabash Valley in Illinois and Indiana. That group has comprehensive plans for making the Wabash navigable and for flood control along the valley. Included in their proposals are plans for construction of several reservoirs in the upper reaches of the Wabash River. Appropriations have been provided by the Federal Government for construction of some of these. It could be that reservoirs such as these will alleviate some part of the flood problem in the lower reaches of the Wabash. To build a levee such as unit No. 5 in Posey and Gibson Counties in Indiana before the upper reservoirs are built and before their effectiveness is determined, seems to be premature. However, the Indiana interests with the backing of the Wabash Valley Association continue to seek appropriations for levee unit No. 5 in Indiana.

In the first session of this Congress, the House of Representatives did not deem it necessary to make further appropriations for this levee. The situation and conditions have not changed since last year. It would appear that the same wise decisions to omit funds for this levee again in this session would be justifiable.

In a report dated April 15, 1948, of a survey made by the Corps of Engineers, Louisville District, the question of flood protection for Mount Carmel and the adjacent rural area was discussed. It was the conclusion of that group that protection for only a small portion of Mount Carmel could be economically justified but it would not prove feasible to protect with agricultural levees the great rural portion of Wabash County which lies opposite the proposed Indiana levee unit No. 5.

If the Indiana levee is not constructed, there is no need to build a levee in Illinois. There is no need then to place the burden of construction costs on all the taxpayers, and the financial responsibility of maintaining and operating an unnecessary levee on the local people.

This committee, speaking for a vast number of individuals, businessmen, civic organizations, local governing bodies and others, respectfully requests that the Appropriation Committee give due consideration to its plea for deletion from the appropriation bill any and all funds designated for further study, planning or construction of Indiana levee No. 5.

SUMMARY

The Wabash County Flood Protection Committee urges opposition to appropriation of funds for Indiana levee unit No. 5 for the following reasons:

I. The construction of Indiana levee unit No. 5 will:

1. Create an immediate and serious flood threat to one-third of the area in the incorporated city limits of Mount Carmel and to

over 12,000 acres of farm and rural property in Wabash County, Ill.

2. Increase flood level by 5 feet at the highest stage at which confinement will be operative.

3. Increase the frequency of major floods of a 27-foot stage (10 feet above flood stage) to an average of 1 every 4 years instead of the prevailing frequency of 1 every 11 years.

4. Increase the frequency of disastrous floods of the nature of the 31-foot flood in 1913 from 1 in 47 years to an average of 7 in 100 years.

5. Cause the annual average flood damage in Wabash County to increase approximately 100 percent.

6. Create a serious threat to the general health and welfare to the city of Mount Carmel if the increased flow of flood waters causes the water treating plant and sewerage plant to become inoperative and force the shutdown of the electric generating and gas distribution facilities of the local company.

7. Create an unfavorable climate for the industrial development of the area and will tend to discourage expansion of industry already located in the area.

8. Cause an immediate decrease in the value of residential, industrial, and agricultural property to the extent of $6 million as shown by intervening petitions filed by Illinois property owners.

9. Cause flood waters to remain longer on, and move more rapidly across, agricultural land reducing soil fertility by waterlogging and erosion.

II. Since Indiana courts will assume no jurisdiction over Illinois property, Illinois landowners will not be compensated for damages resulting from the construction of the Indiana levee.

III. The question of the formation of Levee District No. 5 is still in the process of contested litigation and the outcome of the suit remains to be determined.

IV. There are other flood abatement projects upstream in the Wabash River Valley, which when completed may make the construction of levee No. 5 unnecessary.

V. When considering the ratio of benefits to costs for the project, the costs used for such computation did not include costs represented by damages suffered by Illinois property owners.

VI. According to the report of the 1948 survey conducted by the U.S. Corps of Engineers it is not economically feasible to protect the rural areas adjacent to Mount Carmel with levees. There has been no substantial change in the physical problem since that time. There is no reason to believe the rural areas could be protected more economically now than previously.

VII. This committee questions the wisdom of spending large amounts of money for projects which increase the agricultural potential of certain favored land, at the expense of extensive damage to neighboring land, while other agencies of the Government are spending taxpayers' money to reduce the amount of land in crop production.

VIII. This committee objects to and rebels at the idea that in order to pay for the construction of levee unit No. 5 Illinois taxpayers will contribute more funds toward the construction of the levee than will the Indiana taxpayers.

IX. No appropriation was made during the last session of Congress for further study or planning on levee unit No. 5. Conditions have not changed since last year and certainly no appropriations are warranted again this year.

Mr. CANNON. What is the nature of the litigation which is being brought against this project?

Mr. KOGER. The law requires the people who are proposing the levee to form a levee district. They filed a petition in Indiana in the Gibson County Circuit Court for that purpose. There were intervening petitions filed to that and at the present time there has been a ruling, but there is a request for a review of the ruling under Indiana judicial procedure. That is the stage they are in now. So, this is not out of court.

Mr. CANNON. The court decided in favor of the district in the first instance?

Mr. KOGER. That is right; yes, sir.

Mr. CANNON. And you are now asking for a review?

Mr. KOGER. Yes, sir, we are asking for a review of that.

Mr. CANNON. How long will it take to secure a review?

Mr. KOGER. That is very uncertain. I would say 6 to 9 months probably would be that period based upon the way things are going now. The records are very voluminous.

Mr. CANNON. In the meantime, everything should be held in abeyance pending the decision of the court?

Mr. KOGER. We should think so and we would hope so pending the decision of the court. However, from what we understand, of course, the planning and further surveys of the levee project could proceed and funds could be appropriated for that even though they are in litigation with the levee district, because in the past this has been so and funds have been appropriated.

Mr. CANNON. But no construction is contemplated prior to the decision of the court?

Mr. KOGER. That is right; yes, sir.

Mr. Chairman, I have a sufficient number of copies for each member of the committee. This [indicating] is only a summary of what I have in my report. I have a sufficient number of copies, if the clerk would tell me how many he would like to leave with you here.

Mr. CANNON. You may leave copies with the clerk.

Off the record.
(Discussion off the record.)
Mr. CANNON. Thank you, gentlemen.
Mr. KOGER. Thank you very much, gentlemen, for hearing us.

WEDNESDAY, APRIL 13, 1960.

WASHITA AND OTHER OKLAHOMA PROJECTS

WITNESS

HON. TOBY MORRIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. CANNON. We shall now hear from the gentleman from Oklahoma, Mr. Morris.

Congressman Morris, will you please have a seat at the table with us?

Mr. MORRIS. Thank you, sir.

Mr. CANNON. I believe you wish to be heard on the Washita and other Oklahoma projects?

Mr. MORRIS. Yes, sir; that is correct.

Mr. CANNON. We would be glad to hear you at this time.

Mr. MORRIS. Thank you, Mr. Chairman and members of the committee for giving me these few moments, and I assure you they will be very brief, unless you want to ask some questions which I shall be glad to answer if I possibly can.

May I say this, and I will take just a moment——

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. The gentleman from Oklahoma.

Mr. MORRIS. This is not at all meant to polish the apple for you, Mr. Chairman or any members of the committee, but I attended a meeting recently and I was happy to learn that you, the distinguished gentleman from Missouri, who has rendered such great service to our Nation, and I hope will continue to do so for many years to come——

Mr. CANNON. I regret it but the gentleman is out of order.

Mr. MORRIS. Had a birthday recently and the distinguished gentleman from New York, Mr. Taber, and the gentleman from Iowa, Mr. Jensen, called our attention to the distinguished gentleman from New York who has also rendered a great service to our Nation and I hope will long continue to do so, would soon have a birthday, I believe in May, and it was a great thrill on that occasion to hear the distinguished gentleman from Michigan, Mr. Rabaut, hit high "C" with his great tenor voice.

So, that was a great pleasure to visit with you distinguished gentlemen.

Mr. CANNON. We regret that the gentleman diversed so widely from the subject before the committee.

Mr. MORRIS. Well, it is a pleasure, gentlemen, to appear before you on this occasion, and since we must get down to business, of course, we will immediately, but may I pause just a moment to say to all of you as members of this great committee that it is rather astounding to me as to how you are able to carry on with your tremendous duties which are heavier than mine. I, as a Member of Congress, not having been here nearly so long as most of you, although I am going on my 10th year, usually work from 7 o'clock in the morning to 10 o'clock at night to carry on my duties. However, you stay in session so much I do not know how you carry on with this and other of your duties. I lay that predicate to tell you how grateful I am to everyone of you for giving me these few moments to present the case of our people out my way.

I am honored to represent the Sixth District in Oklahoma. We have four budgeted projects. One is known as the Washita project, sometimes referred to as the Fort Cobb-Foss project. The budgeted amount, as I understand it, is $6,960,000. One of those reservoirs, Fort Cobb, according to the information I have, is complete and the other is well on its way. We hope that you in your wisdom may see fit to allow this amount. You certainly have been good to us—not, however, any better, I believe, than we deserve. You have not shown any favoritism to our area and we have not expected it and have not asked and are not asking for it, but you certainly have been reasonable and fair with us and I want to express my deep gratitude for that.

Then, there is one project, the Mangum project, in Greer County, Okla., where $44,600 is budgeted for a feasibility report and investigation.

Then, there is the Mountain Park project in Kiowa County where $29.700 is budgeted for feasibility studies.

Next is the Waurika project in Jefferson County, Okla., $3,500 to complete the feasibility report.

Gentlemen, those are the four budgeted projects that are in my district. They are reclamation projects, and I do hope that you in your wisdom can see fit to allow those amounts.

Mr. CANNON. Thank you, Mr. Morris.

Mr. MORRIS. Thank you, Mr. Chairman and gentlemen of the committee.

WEDNESDAY, APRIL 13, 1960.

KINZUA DAM

WITNESSES

LEVINUS PAINTER, REPRESENTING THE FRIENDS COMMITTEE ON NATIONAL LEGISLATION

EDWARD F. SNYDER, LEGISLATIVE SECRETARY, FRIENDS COMMITTEE ON NATIONAL LEGISLATION, WASHINGTON, D.C.

Mr. CANNON. Next we shall hear from representatives of the Friends Committee on National Legislation appearing in behalf of the Kinzua Dam.

Will you please give your name to the reporter?

Mr. PAINTER. My name is Levinus K. Painter, representing the Society of Friends.

Mr. CANNON. Mr. Painter, you may proceed.

Mr. PAINTER. Mr. Chairman and members of the committee, I am going over some familiar ground with you, and I am aware of that. I am aware of all the action that has taken place but, nevertheless, there are some things as Quakers which we have to say to this committee this afternoon.

My name is Levinus Painter. I live in Collins, N.Y., just over the border from Cattaraugus County where the Allegheny Indian Reservation of Seneca Indians is located. I represent Philadelphia Yearly Meeting of Friends, the Friends Indian Committee of Western New York, the Indian Committee of New York Yearly Meeting, the Joint Indian Committee of the Baltimore Yearly Meetings, and Friends Committee on National Legislation. However, I speak as an individual, not claiming to represent the religious Society of Friends as a whole. My interest in Indian affairs is a family tradition. My great-grandparents served as heads of one of the early Indian schools in the Middle West a century ago. For a period of years I served as part time teacher of Bible in the Thomas Indian School on the Cattaraugus Reservation near my present home. On occasions I have been a guest in the sessions of the Seneca Nation Council.

I appear here today urgently requesting that a careful restudy be made of the alternative Conewango flood control plan as compared with the proposed Kinzua flood control plan.

This request is based on two significant factors:

First, the Kinzua Dam would rob the Seneca Indians of all but about 2,000 acres of habitable lands. Other parts of the reservation are steep hillsides or are lands now leased in the city of Salamanca and neighboring villages. You are well aware that the area of the Allegheny Reservation belongs to the Indians by guarantee from the Government of the United States in the Pickering Treaty signed at Canandaigua, N.Y., November 11, 1794, on behalf of George Washington, President of the United States. I want to remind the committee that the Quakers have a definite stake in that treaty. The Indians refused to sign the treaty offered to them until they could consult with the Quaker Committee under the leadership of William Savery, then on its way from Philadelphia. Savery and his committee listened to both parties and, assuming the integrity of the United States Government, they advised Red Jacket, Cornplanter and their associates to sign the treaty.

This was reaffirmed by President Thomas Jefferson on March 17, 1802, in a document signed by H. Dearborn, Secretary of War. I quote significant parts:

> All lands claimed and secured to said Seneca and Onandago Nations of Indians by treaty, convention, or deed of conveyance, lying and being within the limits of said United States, shall be and remain the property of the said Seneca and Onandago Nations of Indians forever, unless they shall voluntarily relinquish or dispose of the same. And all persons, citizens of the United States, are hereby strictly forbidden to disturb said Indian Nations in the quiet and peaceful possession of their lands.

A copy of the text of this declaration appears at the end of this statement.

This is plain and strong language. May I humbly ask this committee if the declaration authorized by President Thomas Jefferson and made in 1802 has been given due consideration by the Supreme Court and by the Congress of the United States, or by the committee here assembled.

If the treaty is abrogated or set aside by the courts or by the Congress, it means that the United States has not kept faith with the Indians. Such action would also be a great disappointment to present day Quakers who want their Government to maintain honorable dealings with the Indians.

There are perfectly acceptable ways of obtaining these Indian lands if it can be proven that they are necessary for flood control purposes. I know the Indians well enough to be convinced that they would give up their ancestral lands voluntarily and without court action if the use of such lands is essential to the life and welfare of the people in the lower Allegheny Valley. In fact, they have given assurance to this effect. But necessity has not yet been demonstrated.

Second, I am very familiar with the terrain of this entire area. I have observed firsthand many flood control projects in various parts of the United States and in the Nile Valley of Egypt. I am convinced that the preliminary study made by Dr. Arthur Morgan has sufficient merits to justify the Appropriations Committees in insisting on a careful and unbiased restudy of the alternative Conewango flood control proposal, before appropriating further funds for the Kinzua project.

As has been pointed out, the Conewango proposal would provide more than double the water storage and under much safer conditions. It would serve Pittsburgh industries better because of the greatly increased water reserves available in dry seasons. It would provide emergency flood control through the outlet of the south branch of Cattaraugus Creek and thence into Lake Erie. According to Dr. Morgan's preliminary surveys this seems to be a much less expensive plan. Taxpayers and your committee should know the comparative cost and the merits of the two plans. We do not have this at the present time. Surveys, so far as made, seem to indicate that the Conewango plan is much sounder as a flood control project and apparently much less expensive. At least we should know the facts so far as they can be obtained. Why put many millions of taxpayers' money into a flood control plan at Kinzua that is a questionable engineering project and at the same time robs the Indians of their lands? The Conewango proposal would take only a small area of Indian lands.

Our Government's first responsibility is to maintain the integrity of the people of the United States in their dealings with the Seneca Indians. This is a moral issue. If our Government violates an agreement made with the Seneca Indians how can we stand before the nations of the world as exponents of the sacredness of treaties? If we override the rights of a minority on our own land how can we bear clear witness to the rights of minorities on other parts of the world, or champion the rights of unfranchised nationals in South Africa? I have traveled in Asia and Africa and know how closely the underprivileged peoples of other lands watch the internal affairs of the United States.

We Quakers want to continue to believe in the integrity of our own Government. We hope the Congress will go beyond the legal technicalities which enable it to break Indian treaties in cases such as this. We hope Congress will recognize the elements of simple human justice, fair play and morality which are involved, and will support a full and completely impartial investigation of all alternatives to the Kinzua Dam.

Gentlemen, I have not gone into the technical details, because you are familiar with those and it is not necessary. But, I would like to just also add to the record a full statement of the Jefferson Declaration of 1802 and also an editorial from the Buffalo Evening News of Monday evening, the 11th of April, this week.

Mr. CANNON. The matters will be inserted in the record at this point.

(The matters referred to follow:)

A COPY OF THE LETTER ISSUED BY THE WAR DEPARTMENT TO THE SENECA AND ONONDAGA NATIONS BY AUTHORIZATION OF PRESIDENT JEFFERSON UNDER DATE OF MARCH 17, 1802

"By authority of the President of the United States to all peoples to whom these presents may come, *Greeting:*

"Whereas it has been represented by some of the chief men of the Seneca and Onondaga Nations of Indians that they are entitled to a certain reserved tract of land lying on the Cattaraugus and on or near the Allegany, and which has been surveyed, laid off and the lines regularly run and definitely understood, but that they are not in possession of a deed securing to them the peaceable and undisturbed occupancy thereof, as well as therefore to remove . . . [due to fold in document, the next few words are not clear] . . .

"Seneca and Onondaga Nations is to secure to them the possession of said lands, does hereby announce and declare by the authority of the aforesaid and on behalf of the Government of the said United States, that all lands claimed and secured to said Seneca and Onondaga Nations of Indians by treaty, convention or deed of conveyance or reservation lying and being within the limits of the said United States, shall be and remain the property of the said Seneca and Onondaga Nations of Indians forever, unless they shall voluntarily relinquish or dispose of the same. And all persons, citizens of the United States, are hereby strictly forbidden to disturb said Indian Nations in the quiet possession of said lands.

"Given under my hand and the seal of the War Office of the United States, this seventeenth day of March, one thousand eight hundred and two.

"H. DEARBORN,
Secretary of War."

(The above document was delivered to Governor Blacksnake, trusted chief of the Seneca Nation, on the day it was signed, March 17, 1802. He brought it back to western New York with him and presented it to the Council of the Seneca Nation about a month later.)

NOTE.—The original of the above document is in the hands of a private individual in western New York. There are photostats of the same in the Rochester museum, the Little Valley museum and one in possession of Eber Russell, Perrysburg, N.Y.

[From the Buffalo, N.Y., Evening News, Apr. 11, 1960]

SHOWDOWN ON KINZUA

The Seneca Indians have won some influential allies in their last-ditch attempt to have a thorough study of the Kinzua Dam project. Representatives Pillion and Ostertag have been impressed by the arguments for an alternative flood-control project in the Conewango Valley. And so, apparently, have Representative Goodell and New York's two Senators in asking the Army Engineers to clarify the issues.

The charges that have been made by the engineering consultant for the Indians are so gravely disturbing as to call for some frank answers. The stakes involving the public interest, as the News said 2 years ago, are such as to justify a temporary freeze on the Kinzua funds pending a prompt airing of the claims and counterclaims in an utterly confusing and technical debate.

What is most disturbing is the contention of Dr. Arthur E. Morgan, former chairman of the Tennesses Valley Authority and author of the Conewango-Cattaraugus flood-control plan, that his specific proposal never received careful study.

Whether this is so, we certainly don't know; but at least there was enough doubt in the minds of House Members last year to demand a new study of alternatives—a stipulation that subsequently was dropped in conference with the Senate. Surely it is not too late to pin down the fact and find out who is right about an alternative that allegedly would produce more flood-control and steady-water benefits at less cost and in shorter time, and without necessitating the removal of the Senecas from their ancestral homes. Competent engineers who have no partisan interest tell us that there is enough potential merit in the Conewango proposal to give it a real study before committing $125 million or so to a giant dam.

Mr. CANNON. Thank you, Mr. Painter.

Mr. PAINTER. Gentlemen, I will be glad to answer any questions, if you have time for them.

Mr. CANNON. Are there any further questions?

(No response.)

Mr. PAINTER. Thank you.

WEDNESDAY, APRIL 13, 1960.

CENTRAL-SOUTHERN FLORIDA FLOOD CONTROL PROJECTS

WITNESS

RICHARD A. ZAUN, CHAIRMAN, SOUTH DADE WATER CONTROL COMMITTEE, MIAMI, FLA.

Mr. CANNON. We shall now be glad to hear from Mr. Richard A. Zaun, of Miami, Fla.

Mr. ZAUN. Mr. Chairman, my name is Richard A. Zaun and I am the chairman of the South Dade Water Control Committee and am from Miami, Fla. I am a nurseryman in the South Bay area of Dade County, Fla., and my remarks will be in regard to the same subject that the delegation which is from Miami discussed, the Central-Southern Flood Control District. I am "Exhibit A," and I am the party involved in this water. I represent myself and my neighbors and I believe the needs of my community and I sincerely hope that based upon the way the chairman cut the delegation short which was here from Miami is not indicative of his attitude toward this project, and I will proceed from here.

These are notes that I just made up last night and they are not meant to be any form of a statement, but cover things that have taken place in my community and cover the way I feel about a lot of things.

To get away from the technical background in regard to my presentation, I would like to refer to letters and statements submitted to this committee.

Document 1 would be the letter written by John Frederick, Dade County Farm Bureau.

Document 2, statement by John Campbell, Dade County agricultural agent.

Additional information can be found in testimony before the Select Committee on National Water Resources, U.S. Senate, Senator Robert S. Kerr, chairman, on December 3, 1959, at Jacksonville, Fla., by Walter Weiss, Richard A. Zaun, and W. Turner Wallis.

Gentlemen, you are the statesmen and the leaders of this vast and wonderful country of ours. I know that the financial problems of our country are vast and complex, but with our vast resources, abilities, and capabilities, there should be a more qualified solution to our problems.

People are coming to Florida to make their home, of whom I was one at the end of World War II. I found I liked its clear waters and its blue skies filled with an abundance of year-round sunshine, its undeveloped potentials offering a challenge to a way of life that we could not experience in the older developed areas of our country.

We are blessed with many things; one is that we can't seem to have in our area the colored racial hatreds found in other areas of the country. These relations may not last for long, for the areas in which they live have become overcrowded. So lands must be made available to them so that they may plan communities of their own on a location that offers easy commuting to all areas of our community in which they work. West of our metropolitan area would seem to be the most logical location. But here, again, water is a problem.

A flood control district would be the answer. But instead, this project is interfering with the orderly development and progress of our community, as it is not keeping in step with the dynamic progress of our community. I would think that since it has been 12 years since the authorization by Congress of this project, that studies and planning at least would have been completed, so that by now this would give us a sense of direction in the ultimate use of our lands, which are very limited in proportion to the demands of the people who wish to make this area their home. Of these people who have come and are coming to this area in great numbers are GI's of World War II and the Korean conflict. This can be substantiated by the number of GI home mortgages in our area. The wants and needs of these people are not as demanding as that of the U.S. Government which was that they should give their life if need be for our way of life. But when so worthwhile a project as the central and southern flood control project is seemingly handled in so slipshod a manner by the representatives of the people of this country, in contrast to the aid that we are giving to some foreign countries, it makes one wonder. At this time, I cannot help but repeat the statement by an ex-service man, "How lucky we are that we were not killed over the duties and obligations to our country." I know this is a very strong statement, but it has been said, so let it be as it may.

Gentlemen, I have seen the problems that uncontrolled water can bring to a community that you cannot figure in dollars and cents. I have seen the dreams and efforts of men, particularly of two men who ran the B. & L. Farms, where they had built an empire of a farming operation which was truly an asset to our community, with the most

modern and up-to-date packinghouses, repair shops, the latest in farming machinery, ideas of their own that went into their huge harvesting machines, who grew and developed their own hybrid seed—all of this to be drowned out and their vast holdings of agricultural lands to be sold to speculators. This and other farming in our area do not benefit from parity and subsidy programs of the U.S. Government. I have seen family operations dissolved because they could not operate any longer as a unit, due to the flood conditions imposed upon them. Others have given up the land because they have lost everything or could not afford the risk involved any longer. I have seen the unrest that can come into a home to a point where man and wife have separated.

Gentlemen, a couple of weeks ago I was amazed on a visit here to Washington through an appointment at the White House to find that General Itschner and General Cassidy of the Corps of Engineers, whom I conferred with, were not aware of the seriousness of our problem or the losses involved, after all of the local publicity and communications with the central and southern flood control project at West Palm Beach and the Corps of Engineers at Jacksonville, Fla. I must say here that there is a lack of coordinated effort. However, when they were made aware of our problems, I am glad to say their interest has been shown by the energy that has been generated to rectify these problems in our area.

Wherefore, gentlemen, the solution to this problem rests in your hands, and in any way that we can help you, I can freely pledge the full cooperation of our community.

Thank you.

Mr. CANNON. Now, you are advocating and supporting the project?

Mr. ZAUN. This is in regard to the central and southern flood control project. I have no leanings one way or the other. I am going to leave that in your hands and I know you will act on the merits of the thing.

Mr. CANNON. You have no personal preference yourself?

Mr. ZAUN. Yes, sir; I am involved. I have a 15-acre nursery on which I have worked 10 years of my life. I cannot put it in dollars and cents. This is what has motivated me to come up here.

Mr. CANNON. How would your nursery be affected by this proposal?

Mr. ZAUN. By the progress of this project to date because it has amplified my problems. In other words, it has created problems that had not existed before. It has brought about hardship to myself and to my neighbors.

Mr. CANNON. What kind of hardship?

Mr. ZAUN. By the projects not being completed. I have some maps here that I would like to submit to the members of the committee.

Mr. BOLAND. Are you in favor of the request for the emergency fund which was detailed a short while ago by the group from Dade County? Is this what you are interested in?

Mr. ZAUN. I do not have the technical background and I am not familiar with the procedure of government and what it takes to rectify my problems. I want to say at this time that I believe you are capable and able to possibly find a solution to my problems. I believe the remarks contained in my statement will clarify some of the reasons why I am here. Off the record.

(Discussion off the record.)

Mr. ZAUN. Now, what you propose to do and what the increases are to these projects I cannot adequately say. I hoped by coming here I could create a more friendly atmosphere for our problems in our area.

Other than that, gentlemen, I thank you for permitting me to come here before you today. These maps will further clarify what I have said. I have enough faith in the people of my area to know that we will have to take this job to task and do it ourselves, but we have become involved in his project to which our county has contributed a very large portion but to which we are still shorted by $5 million today, but we have contributed that much over that which has been returned to our area.

Gentlemen, this is what I presented at the White House, and this [indicating] is a piece of rock.

Mr. CANNON. What is that exhibit?

Mr. ZAUN. Well, this rock is a piece of our Biscayne aquifer. This is the reason that some of our problems are magnified to the extent they are.

Mr. CANNON. This rock is native to this area?

Mr. ZAUN. Yes, sir. This rock has the highest storage capacity of any other rock formation in the world. The water in order to flood does not have to run over the top of the ground. It just equalizes itself in or out of season. So, every rain we have we are flooded, and I believe those maps will show this to you and how it is taking place through the diversion of water from Lake Okeechobee and the east coast areas with the natural drains, and the drainage will allow this water to be carried over to the Atlantic Ocean.

Mr. CANNON. Thank you very much.

Mr. ZAUN. Thank you, gentlemen.

WEDNESDAY, APRIL 13, 1960.

EDGARTOWN, MASS., HARBOR STUDY

WITNESS

HON. HASTINGS KEITH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. CANNON. We shall now hear from Congressman Keith, of Massachusetts. Congressman Keith, will you please be seated?

Mr. KEITH. Thank you, Mr. Chairman. I am Congressman Hastings Keith of the Ninth Congressional District. I have in that district Cape Cod and offshore the island of Martha's Vineyard.

The matter concerning me today is the island of Martha's Vineyard and the town of Edgartown, an old whaling town, which has suffered considerably from high tides and strong winds that have forced through a barrier on the windward side of the island on the ocean side to the extent that the town is currently suffering considerable damage and anticipates further damage in the future.

The highest two record tides in recent history were this winter in the month of February. This has further alarmed the selectmen

and they have asked that funds be made available in fiscal year 1961 for the purpose of having the Corps of Engineers make a prompt study—a combined beach erosion and navigation study. The amount requested is $11,000. The need is outlined in this memorandum which I would like to give to the secretary.

Mr. CANNON. It will be made a part of the record.

Mr. KEITH. And, substantiated by a letter from the Chief of the Corps of Engineers for that area.

Mr. CANNON. The letter will be included also.

(The matters referred to follow:)

Mr. Chairman, I wish to thank the committee for the opportunity to be heard today. I am Hastings Keith, Congressman from the Ninth Massachusetts District. My district consists of the southeastern portion of the State and includes Cape Cod and the island of Martha's Vineyard. This region has experienced severe damage in recent years because of hurricanes, high waters, and other weather conditions.

The town of Edgartown on Martha's Vineyard is urgently in need of assistance to repair past damages to beaches and navigational channels and to stop further residual damages. The Army Chief of Engineers has recommended a joint navigational and beach erosion study. He is prepared now to pursue the beach erosion portion of the study but lacks authority and funds for the navigational portion. The Senate Public Works Committee recently authorized such a study and there now exists the need of an $11,000 appropriation to fund the Federal Government's contribution.

Time is of the essence in this matter. There is an urgent need for remedial action and further delay will only greatly increase the ultimate costs of this project. Weather conditions in the area continue to be critical. Hurricane Carol caused over $100 million damage in the New England area. In recent weeks two new storms have struck the area. In these latest storms the Edgartown area recorded the highest tides in its history—demonstrating the need for prompt, adequate protection.

Almost 4 years will pass before any actual work would be accomplished in Edgartown, even if your committee makes the $11,000 available this year. The town selectmen are gravely concerned over any additional delay. They wrote me recently as follows:

"The speed with which the beach and harbor are changing is very alarming * * *. We discovered that the study will take almost 2 years—that in all probability an additional 2 years will elapse before any project could be started. We are afraid that 1 more year, added to the 4, would be disastrous * * *."

Mr. Chairman, in view of this emergency, I urge your committee to make available this year, the sum of $11,000 so that the study of this area can be undertaken.

APRIL 11, 1960.

Hon. HASTINGS KEITH,
House of Representatives,
Washington, D.C.

DEAR MR. KEITH: I appreciate your sending me a copy of your March 31, 1960, letter to Representative Cannon requesting $11,000 be included in the fiscal year 1961 appropriation bill for the navigation survey of Edgartown Harbor, Mass. The authority for this study was provided by a resolution of the Senate Committee on Public Works adopted February 29, 1960. Funds are not presently available with which to start the study.

The navigation survey study of Edgartown is estimated to cost $22,000 and is expected to require about 18 months to complete after the funds are made available. The $11,000 mentioned by the Edgartown selectmen is all that is needed and can be used during the fiscal year the study is started. The remaining $11,000 will be needed in the following fiscal year to complete the study.

I am afraid I cannot offer much hope of obtaining funds for this study if it is not included in the fiscal year 1961 appropriations. There are 16 other navigation studies in Massachusetts that have not been funded and which were authorized before the Edgartown study. Most of these have not yet been started,

but some, the study of Nantucket Harbor for instance, although started, have been suspended for lack of funds. The urgency expressed by the selectmen and your interest in the Edgartown study will be given every consideration in our future scheduling.

Sincerely yours,

ALDEN K. SIBLEY,
Brigadier General, U.S. Army, Division Engineer.

Mr. CANNON. Thank you, Congressman.

Mr. KEITH. Thank you, sir.

WEDNESDAY, APRIL 13, 1960.

SURVEY OF FOX RIVER BASIN, WIS.

WITNESSES

HON. ROBERT W. KASTENMEIER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

HON. GERALD T. FLYNN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

Mr. CANNON. We shall now be glad to hear from the gentleman from Wisconsin, Mr. Kastenmeier.

Congressman Kastenmeier, you may proceed.

Mr. KASTENMEIER. Mr. Chairman, this is the first time I have had occasion to appear before this subcommittee or any other of the Appropriation Subcommittees, but I appreciate the need for brevity.

In this connection, I would ask consent to extend and revise my remarks and include therewith certain letters pertinent to this matter.

Mr. CANNON. They will be included in the record.

(The matters referred to follow:)

STATEMENT OF HON. ROBERT W. KASTENMEIER OF WISCONSIN

The residents of Waukesha, Wis., have been hard hit by a rampaging Fox River which 2 weeks ago overflowed its banks to an extent previously unknown. The river, swelled by the thawing of the winter's snow coupled with 2½ inches of rain, swept uncontrolled through the city of Waukesha, leaving in its wake hundreds of flooded homes, retail businesses and factories.

Spring floods in Waukesha, however, are not news to the people of Waukesha, nor are they unknown to the Corps of Engineers and the Congress of the United States. Some 30 years ago, after the city had suffered a devastating flood in 1929, the 71st Congress recognized the need for flood control work on the Fox River in southeastern Wisconsin and directed the Corps of Engineers to review the problem. No further action was taken, but 20 years later, the House Committee on Public Works passed a resolution asking the Board of Engineers for Rivers and Harbors to again review the need for a flood control project on the Fox River. The request has been with the Corps of Engineers since 1949. Since funds have not been made available for the long overdue review; no further action has been taken.

But the floods have not abated. There was a flood last year, and a survey had been authorized. However, for budgetary reasons no appropriations were being made for new surveys. In the past week I received an urgent plea from the Honorable Paul C. Steinert, mayor of the city of Waukesha, for assistance after the city had undergone what he termed the "worst flood conditions in the city's history."

What happened in the city of Waukesha only 2 short weeks ago again points to the need for action today—not next year or the year after or the year after that.

THE PROBLEM

The Fox River rises in Waukesha County, Wis., about 12 miles north of the city of Waukesha and flows generally south for about 185 miles to join the Illinois River at Ottawa, Ill. When the need for a Fox River flood control project was considered some 30 years ago by Congress, the makeup of the Fox River Basin, particularly at its northernmost point, bore no resemblance whatsoever to its appearance today. This fact relates directly to the problem I am here to explain to you. In 1930, the city of Waukesha was a thriving community of some 17,000 population, surrounded by undeveloped farmland. The county's population was 52,398, and by 1950 the county's population had grown to 85,901.

Then, the population explosion hit this once predominantly rural county. When the census is completed this month, Waukesha County is expected to show a 75-percent population growth in the 10 years since 1950 and a county population of some 150,000. According to Harold A. McMiller, executive director of the Waukesha County Park and Planning Commission, more than 200 subdivisions within the Fox River drainage area in the county have been platted in the past 6 years and from 85,000 to 90,000 of the county's estimated 150,000 population reside in this limited area. It is this mushroom population growth that has seriously aggravated flood problems along the Fox River. The natural terrain no longer can absorb its share of the water runoff; instead, the system of storm sewers that accompanies real estate development today funnels the rainwater ever more quickly into the Fox River and forces the river, whose channel has never been appreciably widened or deepened, to overflow its banks causing increasingly greater damage each year.

THE PROPOSAL

This long-delayed and much-needed project, especially in view of the heavy flooding this year coming on top of last year's floods, cannot wait for another year. I am not here to ask that you appropriate the full authorized cost of this survey; I merely ask for the Corps of Engineers' announced capability for this coming 1961 fiscal year which is $25,000. I am confident that this amount will be sufficient to reveal the very real urgency of the problem which the people who reside in the northernmost area of the Fox River Basin have suffered through in the past, and suffer today, and look forward only to more suffering in the future. Only you are in a position to assist them.

THE 1960 FLOOD

The 1960 flood which swept through the city of Waukesha has been termed by Mayor Steinert of Waukesha as the "worst flood conditions in the city's history."

Because the city is still busily engaged in cleaning up the debris, local officials have not had an opportunity to assess the total damages and losses resulting from the flood. There is no question but that the figure will be high. Water damage to basements of homes, stores, warehouses, and factories as well as the loss of goods stored there alone would run high.

An even more serious problem resulting from the overflowing Fox River is the public health hazard. Excerpts from a letter I received only today from Mr. O. J. Muegge, Wisconsin State Sanitary Engineer, well describes the deplorable conditions. He wrote, in part, as follows: "* * * Surveys made by the staff of the Wisconsin State Board of Health indicate that a number of the sewage treatment plants were flooded and raw sewage was being bypassed to the stream. In other instances the flood waters caused surcharge of the sewer systems and backflow of sewage into basements. Pumping stations in the sewer systems were severely taxed during the period of the flood. Specifically, the report shows that the Pewaukee, Waukesha, Sussex, Waterford, and Burlington sewage treatment plants were affected by high waters and that the Waukesha and Pewaukee plants did have to be removed from service completely. Private water supply installations and private sewage disposal systems in the area were subjected to flooding bringing about additional public health hazards over and above that resulting from the discharge of raw sewage into the stream * * *."

No comment to this letter from the Wisconsin State Sanitary Engineer is necessary, as I am certain all of you recognize the resulting public health hazard created by this situation.

HEADQUARTERS DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., April 11, 1960.

Hon. ROBERT W. KASTENMEIER,
House of Representatives.

DEAR MR. KASTENMEIER: Reference is made to recent meeting with Mr. Oshiki of your staff and Colonel Giesen of my office at which time the flood problems on Fox River, Illinois and Wisconsin, were discussed.

Mr. Oshiki pointed out that there was severe flooding in the headwaters of the Fox River particularly at Waukesha, Wis. He requested information as to whether authority was available to study the problem and the amount of funds that could be used in fiscal year 1961 to initiate the study.

The Corps of Engineers has been authorized by resolution adopted July 6, 1949, by the Committee on Public Works, House of Representatives, to make an investigation of Fox River, Illinois and Wisconsin, in the interest of flood control and allied purposes. No work has been done on this study and no funds are available from our fiscal year 1960 appropriations for initiation of work on the survey. From the strictly engineering standpoint, considering this study by itself without reference to our overall program, our overall capability, or fiscal considerations, an amount of $25,000 could be utilized for this investigation in fiscal year 1961. As you may know, no funds for this study are included in the President's budget for fiscal year 1961, so that no funds can be utilized for this investigation in view of the overall budgetary considerations.

Sincerely yours,

WILLIAM F. CASSIDY,
Major General, USA Assistant Chief of Engineers for Civil Works.

RESOLUTION

Resolved by the Committee on Public Works of the House of Representatives, United States, That the Board of Engineers for Rivers and Harbors be, and is hereby, requested to review the reports on Fox River and tributaries, Illinois and Wisconsin, submitted in House Document No. 410, 71st Congress, 2d session, and subsequent reports, with a view to determining whether further improvements for flood control are advisable at this time.

Adopted July 6, 1949.

STATE OF WISCONSIN, BOARD OF HEALTH,
STATE OFFICE BUILDING,
Madison, April 12, 1960.

Hon. ROBERT W. KASTENMEIER,
House of Representatives, House Office Building,
Washington, D.C.

DEAR SIR: I have been informed that you are seeking information with respect to the effect of flooding in the Illinois-Fox River area on sanitary facilities. Surveys made by the staff of this board indicate that a number of the sewage treatment plants were flooded and raw sewage was being bypassed to the stream. In other instances the floodwaters caused surcharge of the sewer systems and backflow of sewage into basements. Pumping stations in the sewer systems were severely taxed during the period of the flood. Specifically, the report shows that the Pewaukee, Waukesha, Sussex, Waterford, and Burlington sewage treatment plants were affected by high waters and that the Waukesha and Pewaukee plants did have to be removed from service completely. At Pewaukee and Burlington, bypassing of excessive flows resulted. The new Sussex plant, not in operation, was flooded to a depth of 10 inches in the main building.

Private water supply installations and private sewage disposal systems in the area were subjected to flooding bringing about additional public health hazards over and above that resulting from the discharge of raw sewage into the stream.

The flooding of basements previously referred to also results in public health hazards, particularly when the flooding is due to backflow sewage from either the public or private sewer systems. The flooding of homes with the polluted stream waters extends the public health hazard to a considerable degree.

We trust that this information will be helpful to you in bringing about future protection against flooding.

Sincerely yours,

O. J. MUEGGE, *State Sanitary Engineer.*

CHICAGO, MILWAUKEE,
ST. PAUL & PACIFIC RAILROAD CO.,
Milwaukee, Wis., April 8, 1960.

Hon. ROBERT W. KASTENMEIER,
House of Representatives, House Office Building, Washington, D.C.

DEAR SIR: As you know, we have had considerable trouble with high water and drainage in the Fox River Basin on the Milwaukee Railroad. We have approximately 2,000 feet of our main track under water with resultant washouts and delay to trains, in fact, detouring trains for a period of 3 days.

I would like to suggest we have a Government engineering survey made to see what is causing it and what, if anything, can be done about it.

Yours very truly,

J. D. SHEA, *General Superintendent.*

U.S. POST OFFICE,
Waukesha, Wis., April 8, 1960.

Mayor PAUL A. STEINERT,
City of Waukesha, Wis.

DEAR MAYOR STEINERT: This is written in response to your inquiry regarding the extent to which mail delivery in Waukesha was affected by the recent flood of the Fox River.

We were unable to make mail delivery for 2 days (March 31 and April 1) to 5 families on Buckley Street, 7 families on Baxter Street, 2 families on Corina Boulevard, 15 families on West St. Paul Avenue and to 9 business places on St. Paul Avenue due to this flood. This is a total of 29 families and 9 places of business which received no mail delivery due to the flood at that time.

Sincerely yours,

JOHN M. FREEMAN, *Postmaster.*

WAUKESHA TRANSIT LINES, INC.,
Waukesha, Wis., April 8, 1960.

Congressman ROBERT KASTENMEIER,
Second Congressional District, House Office Building, Washington, D.C.

DEAR SIR: We are very interested in having an engineering study made of the Fox River Basin.

During the bad floods of about a week ago we had to detour many of our routes and suffered a substantial loss of revenue.

Your help in this matter will be appreciated.

Very truly yours,

PAUL F. HAASE, JR., *General Manager.*

CITY OF WAUKESHA,
OFFICE OF THE BOARD OF PUBLIC WORKS,
Waukesha, Wis., April 8, 1960.

Hon. ROBERT W. KASTENMEIER,
Member of Congress, House of Representatives,
Washington, D.C.

DEAR MR. KASTENMEIER: In accordance with our telephone conversation of April 7, 1960, with Mr. Kas Oahik, relative to the damage done by the recent flooding of the Fox River in the city of Waukesha during the 5-day period of March 30 to April 3, 1960, we have reviewed the matter with engineering and street departments and are pleased to give you the following:

NUMBER OF HOMES DAMAGED

About 300 homes had water in the basements due either to the direct action of floodwaters or due to the sanitary sewer systems backing up. See map for flood area.

NUMBER OF HOMES VACATED

The exact number of families which were forced to vacate their homes is not known; however, to the best of our knowledge, it was a considerable number.

UTILITY SERVICES AFFECTED AND EXTENT

The sewage treatment plant, which has a capacity of 6 million gallons daily, was completely shut down at 5 p.m. Wednesday, March 30, 1960, and the doors to the building were boarded up to prevent water from entering. Three clarifier units were under approximately 3 feet of water. The plant was not put back into operation until 9 a.m. Tuesday, April 5, 1960, which means that raw sewage entered the stream without purification.

Water utility.—See attached letter from Mr. Joseph H. Kuranz, manager and chief engineer of the water utility.

Other utilities, such as the Wisconsin Electric Power Co., Wisconsin Natural Gas Co., and Wisconsin Telephone Co., are computing their damages and will report separately.

ENGINEERING PROBLEMS

The river was out of its banks throughout the city. This caused our sanitary interceptor sewer system which parallels the Fox River to become flooded and back up into several hundred basements. The pressure on the sewer system was great enough to cause several manhole covers to be lifted off.

The terrific amount of water going over the Barstow Street Dam caused considerable damage to the face and apron of the dam.

Banks washed out in numerous locations.

PRIVATE TRANSPORTATION

The two streets paralleling the Fox River, namely West St. Paul Avenue and Baxter Street had to be closed to traffic as did Barstow Street, Madison Street (U.S. Highway 18), and Main Street (State Trunk Highway 59) where they cross the Fox River.

DAMAGES—BRIDGES

No substantial damage was done to any of the eight bridges (one footbridge, one railroad and six highway bridges), however, the Barstow Street Bridge was in danger of either being washed out by the floodwaters or being knocked out by the huge ice flows for a period of 3 days (March 30 to April 1).

HEATING PROBLEMS

Most of the 300 homes which had water in the basement likewise had a heating problem. This was quite serious as the temperature after Tuesday, March 29, was in the thirties and low forties.

CAUSE OF FLOOD

This area, up to Monday, March 28, had a very heavy snow cover, 93 inches of snow for the winter of 1959–60. Tuesday, March 29, the temperature reached 60° and caused a heavy runoff due to the melting snow. This was followed at 9 p.m. by a heavy rain and hailstorm.

GROWTH OF COUNTY SUBDIVISIONS

Waukesha County is presently the fastest growing county in the State of Wisconsin, leading to a large growth of new subdivisions in the area, which seriously adds to the amount of runoff being contributed to the Fox River Basin each year. This subdivision trend will continue, and thus create greater runoff problems.

If we can be of any further assistance and furnish any more information, please contact us.

Very truly yours,

W. E. DICK,
Director of Public Works.

WATER UTILITY,
CITY OF WAUKESHA,
Waukesha, Wis., April 8, 1960.

Mr. W. E. DICK,
Director of Public Works, City Hall,
Waukesha, Wis.

DEAR WALTER: In accordance with our telephone conversation of Friday, April 8, 1960, we hereby submit the following information relative to the effect the recent flooding of the Fox River had on the operation of the Waukesha Water Utility.

To begin with, the high water nearly reached our Baxter Street station, which necessitated the securing of all power to this unit and further required 24-hour surveillance of the area. While no damage was incurred at this facility, we felt it unwise to use the station during the time the water was high.

A power failure between 2:30 a.m. and 4:15 a.m., March 31, 1960, rendered all five of the utility's existing wells inoperative, during which time the pressure dropped far below the normal 70 pounds per square inch to 64 pounds per square inch at the main control center at North Street. While no damages or inconvenience to our customers resulted because of this pressure drop, due mainly to the early morning hours, the situation was not good, particularly had a large fire or some other conflagration started.

Other dangerous situations were evident, particularly in those areas where flooding covered the streets to the extent that it would have been impossible to valve off sections of the distribution system in the event of a main casualty. The possibility of back siphonage with its resulting contamination existed in those areas that experienced basement flooding.

The utility feels fortunate that no physical property damage resulted. However, constant vigilance was maintained during the time of the flood and numerous calls, minor complaints, etc., were handled by our staff. We would estimate that the total cost for flood activities, a few of which were described above, was $450.

If there be any further questions, please feel free to call and we shall be happy to assist you in any way that we can.

Very truly yours,

JOSEPH H. KURANZ,
Manager and Chief Engineer.

COUNTY SUPERINTENDENT OF SCHOOLS,
Waukesha, Wis., April 8, 1960.

Mr. ROBERT W. KASTENMEIER,
Member of Congress, Washington, D.C.

DEAR MR. KASTENMEIER: I wish to inform you that during the recent flood of the Fox River in Waukesha County there was considerable disruption of schools.

The buses could not operate for 2 days in the Brookfield school system. Other systems found it difficult to operate buses. In elementary districts where transportation is not provided, the children had trouble walking to school.

Sincerely,

WINSTON BROWN,
County Superintendent.

COUNTY OF WAUKESHA,
Waukesha, Wis., April 8, 1960.

Hon. ROBERT KASTENMEIER,
House of Representatives, Washington, D.C.

DEAR SIR: I am writing you as chairman of the Waukesha County Board of Supervisors, urging your support toward Federal legislation and appropriation for a study of flood and disaster control in Waukesha County. The recent heavy rains have made us acutely aware of the need of such action.

Respectfully,

L. W. HAUSE,
Chairman, Waukesha County Board.

WAUKESHA PARKS-RECREATION DEPARTMENT,
Waukesha, Wis., April 8, 1960.

To Whom It May Concern:

The recent flooding of the Fox River will require approximately four men from the parks and recreation department's labor crew 2 full days at approximately 8 hours per day over and beyond what has normally been necessary for the annual spring park cleanup.

Due to the flood conditions on the park land, considerable work will be required to be done in removing debris as well as cleaning permanent structures such as outdoor fireplaces, picnic tables, and walks throughout the park.

A similar followup at Bethesda will require four men approximately 3 full days to remove debris and clean up permanent park fixtures as well as to remove dirt that has settled out on the tennis courts. This has been a common occurrence at Bethesda each spring, which results in the park usage being delayed 2 to 4 weeks as well as creating a stench smell, which lasts until a combination of rain and sunshine overcomes this problem. Total labor involved will amount to about $350. This amount is obviously fairly small plus the fact that there has been little or no damage to our permanent fixtures in the park. The real disadvantage to people living within the Bethesda area is the delay in getting the park ready for normal usage and the unsightliness and odor that accompanies this condition during this period.

Yours truly,

C. HEYER, *Superintendent.*

BOARD OF HEALTH,
CITY OF WAUKESHA,
Waukesha, Wis., April 8, 1960.

Mayor PAUL STEINERT,
City Hall,
Waukesha, Wis.

DEAR MAYOR STEINERT: This letter is written as per your request regarding the health hazard caused by the flooding of the Little Fox River in the city of Waukesha, Wis., area of spring 1960.

This caused health hazards by flooding of springs and wells causing the water to be unsafe for drinking. The flooding of basements of private homes by this flood, contaminated foods and beverages causing a great loss, the flood also caused the city sewage system to overflow and it backed up into many homes causing the same similar hazards.

Several restaurants and taverns experienced the flood which contaminated foods and beverages. A beer distributor encountered a heavy loss due to the contamination of the beer by flooding.

After the flood there is a lot of solid materials some of fecal material deposited which is highly contaminated and must be disposed of as not to create another health hazard. Along with this there are pools of floodwaters standing in low areas that need attention by keeping people and children away as not to aggravate the problem already encountered by this disaster.

Respectfully submitted.

HAROLD K. ELDER,
Public Health Supervising Sanitarian.

WAUKESHA, WIS., *April 8, 1960.*

Mayor PAUL STEINERT,
City of Waukesha,
Waukesha, Wis.

DEAR MAYOR STEINERT: Complying with your telephone request of April 8, 1960, we have prepared the following survey of cost to the Wesconsin Electric Power Co. and the Wisconsin Natural Gas Co. as the result of the recent Fox River flood.

Wisconsin Electric Power Co.

1. Cost of repairing 4,160 volt underground feeder No. 2347	$3,500.00
2. Cost of temporary overhead 4,160 volt line to bypass lost underground feeder	3,000.00
3. Loss of underground feeder caused a 2-hour outage resulted in hardship and inconvenience to customers	
4. 6 electric meters shorted out because of high water	200.00
5. Disconnect and reconnect 13 electric customers	100.00
Total	6,800.00

Wisconsin National Gas Co.:

Water entering steam tunnels caused insufficient steam heat to the 144 steam heat customers	
1. Cost to maintain steam pressure (City heating, during flood period (pumping and maintenance of steam tunnels) Est.	2,000.00
2. Shut off and reconnect 7 gas services	50.00
3. Start 17 gas water heaters and furnaces	150.00
Total	2,200.00

The inconvenience to customers caused by lack of hot water and home heating is difficult to assess.

The closing of traffic routes because of high water caused traffic jams on the available routes. This resulted in abnormally long delays in performing the essential utility operations.

Very truly yours,

WISCONSIN ELECTRIC POWER CO.
WISCONSIN NATURAL GAS CO.
L. V. SCHIBUR, *District Manager.*

WAUKESHA COUNTY HIGHWAY COMMISSION,
Waukesha, Wis., April 8, 1960.

Mr. ROBERT W. KASTENMEIER,
Member of Congress, House Office Building, Washington, D.C.

DEAR MR. KASTENMEIER: This is in reply to the request of Mayor Paul Steinert this morning, regarding the flood conditions of the Fox River in Waukesha County as pertains to damage of flooded highways and farmland in our county.

This river generally winds through our county from north to south, crossing many highways. With our recent rapid melting of snow on March 29 and the additional heavy rainfall of 2½ inches this resulted in the Fox River overflowing its banks in a great many areas. Thousands of acres of lowland were flooded and we were on constant watch of such highways in respect to the bridges.

State Trunk Highway No. 190 or Capitol Drive, the entire marsh, of hundreds of acres, had water up to the roadbed. County Trunk Highway SS, just north of the city of Waukesha, at the bridge, was unable to take this amount of water and the road was closed to traffic for an entire day and night and until the water had receded. This caused considerable washing of shoulders and highway.

To the south of Waukesha where the Fox River crosses Sunset Drive the entire area was flooded with the bridge taking full capacity, up to the beams of the floor. The bridges on various county trunks to the south of Sunset Drive through Waukesha, Vernon, and Mukwonago towns were also being watched very closely and in some places this water went completely across the highway. There was again hundreds of acres of farmland flooded through the southern area of the county.

This possibly was one of the worst flooding conditions in years but I have seen the same area to near this capacity many times in the past.

We hope this information aids you in getting some relief for this project.

Yours very truly,

E. J. STEPHAN,
Highway Commissioner.

WAUKESHA COUNTY PARK AND PLANNING COMMISSION,
Waukesha, Wis., April 8, 1960.

Mr. ROBERT W. KASTENMEIER,
Member of Congress, House Office Building, Washington, D.C.

DEAR MR. KASTENMEIER: We have been advised by Mayor Paul Steinert, city of Waukesha, that you are to appear before the House Appropriations Committee on Wednesday, April 13, to explain the problems of the Fox River drainage basin as they relate to the State of Wisconsin and the State of Illinois. In view of your impending appearance before this committee, we would like to express our views on the problems of the Fox River Basin as they relate directly to Waukesha County and affect our future development.

Let me state, initially, that we are very much aware that the problems of the Fox River Basin are regional in nature and transcend all political boundaries as this river wends its way from its source on the northern border of Waukesha County through Racine and Kenosha Counties to the southern Wisconsin State line and then through Lake, McHenry, Kane, Kendall, and La Salle Counties in the State of Illinois to the Illinois River. Problems of pollution and flooding which generate in the upper reaches of the river are multiplied many times as this river flows south through the rapidly urbanizing hinterland. While we are most familiar with our problems in Waukesha County, we do recognize and urge that the only valid solution to the pollution and flooding problems of this river and its tributaries must be formulated at the regional level.

To provide you with a summation of the situation as we see it in Waukesha County, we would like to emphasize a few of the more pertinent points which we feel will help to define the problem and present a clearer perspective of the factors involved. First of these is the matter of population growth and general urbanization of the Fox River Basin in Waukesha County. I feel sure that you are more than familiar with the massive urbanization taking place in southeastern Wisconsin and especially the bursting of the Milwaukee metropolitan area into Waukesha County. This spillover from the metropolitan area has resulted in a phenomenal population increase in Waukesha County of an estimated 74 percent since 1950. The bulk of this growth has been in the eastern half of the county through which the Fox River flows. It is presently estimated that 85,000 to 90,000 of the county's 150,000 people are now living in the drainage area of the Fox River in Waukesha County.

Since 1954, when the park and planning commission was first organized, over 300 subdivision plats have been processed in Waukesha County and approximately 70 percent of these have been within the Fox River Basin. Characteristic of these plats has been the fact that the majority are platted without the benefit of public sewer or water. Each lot is therefore dependent upon individual septic tanks and private wells. While the average lot size of 20,000 square feet can presently meet percolation standards of the State board of health, it is conceivable that intensive future development will eventually result in intolerable septic conditions and mass sewage treatment will result. Since the Fox River is the main stream for eventual collection of effluent deposits from sewage treatment plants in the basin, its role in this capacity must be carefully studied, not only in relationship to Waukesha County, but in respect to its effect on the downstream counties in Wisconsin and the State of Illinois.

On the basis of present development standards, encompassing the 20,000 square foot lot size, the Fox River Basin in Waukesha County would have a holding capacity, after allowances for other types of land use, of 750,000 people in its 337 square mile area. O. J. Muegge, State sanitary engineer, states that the Fox River, under flow conditions not exceeded for 5 percent of the time, is only adequate to take care of effluent discharge from sewage disposal plants serving a population of 60,000 people. This, to us, emphasizes a very grave problem facing the people of Waukesha County and the downstream counties as well.

In contrast to the foregoing lack of water for sewage treatment facilities, the Fox River has the spring habit of also overflowing and flooding thousands of acres of lowland in the county. This has resulted in the inundation of sewage treatment plants, homes, and commercial establishments in many of our communities. Last year in the spring of 1959, we made a series of flights along

the Fox River taking pictures of flooding conditions in the town of Vernon. This resulted in a graphic presentation of the type of conditions with which we are faced each spring. This year, flooding conditions were even more severe and parts of the City of Waukesha were inundated and impassible.

We trust you will find this information to be of some assistance.

Respectfully submitted.

HAROLD A. MCMILLER, *Executive Director.*

CITY PLAN COMMISSION,
Waukesha, Wis., April 8, 1960.

Hon. ROBERT W. KASTENMEIER,
House of Representatives, Washington, D.C.

DEAR MR. KASTENMEIER: The recent flooding of the Fox River within the city of Waukesha emphasizes the problems created by subdividing and subsequent development of lands upstream from the city affected. As these areas are built upon, the amount of surface runoff into the Fox River increases. Present development added significantly to the amount of water involved in this year's flood.

Since vast areas of prime residential land above the city of Waukesha are presently undeveloped although subject to strong urbanization expansion pressures, the quantity of surface water runoff cannot help but increase in the not too distant future. More runoff means only one thing, the frequency and the severity of Fox River floods will increase leaving its inherent destructive marks on the city of Waukesha.

Steps should be taken now to develop preventive controls so that the surface runoff can be handled within the banks of the Fox River. A waiting period will cost everyone money rather than save money.

In the planning field, we are concerned with the health, safety, and general welfare of the citizens of Waukesha and surrounding areas. Since the Fox River divides the populace of the city almost in half, the effects of a flood are substantial and definitely not in the best interests of health, safety, and public welfare.

Waukesha is very proud of its fire and police departments, but these agencies are not able to adequately protect the entire public when they have flooding conditions. This is especially true since the river divides the city in half. The police department and one of the two fire stations can be isolated from the other half of the city if flood conditions destroy the five bridges which make crossing the river possible.

Other planning factors are involved such as isolation of industry from residential areas, curtailment of gas, electric, and telephone services, impairment of public and private transportation, health hazards, and many more are all affected by the floods. If nature can be controlled, then protection has to be given so that the public is not faced with these dangers and problems.

Action is needed now before the imminent urbanization of the areas above the city of Waukesha cause the flood that could have a catastrophic effect upon the central business district, residential, and industrial areas of the city of Waukesha which lie within the flood plain.

Sincerely,

JOHN W. JAHNKE,
Director of Planning.

STATEMENT OF SENATOR ALEXANDER WILEY

Mr. KASTENMEIER. Mr. Chairman, I would also like to include in the record at this point a letter from Senator Wiley, just handed me, addressed to the chairman.

Mr. CANNON. It will be included as a part of your remarks.

(The letter referred to follows:)

U. S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
April 13, 1960.

Hon. CLARENCE CANNON,
Chairman, Subcommittee on Public Works Appropriations,
House Appropriations Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: Severe flooding in the headwaters of the Fox River, especially in Waukesha, Wis., has occurred in the last month.

The Department of the Army, Office of the Chief of Engineers, in a letter to Congressman Kastenmeier dated April 11, 1960, indicated, as follows:

"The Corps of Engineers has been authorized by resolution adopted July 6, 1949, by the Committee on Public Works, House of Representatives, to make an investigation of Fox River, Ill. and Wis., in the interest of flood control and allied purposes. No work has been done on this study and no funds are available from our fiscal year 1960 appropriations for initiation of work on the survey. From the strictly engineering standpoint, considering this study by itself without reference to our overall program, our overall capability, or fiscal considerations, an amount of $25,000 could be utilized for this investigation in fiscal year 1961. As you may know, no funds for this study are included in the President's budget for fiscal year 1961, so that no funds can be utilized for this investigation in view of the overall budgetary considerations."

Mr. Chairman, I believe this points out the present disposition of the Engineers on the probable costs of this proposed investigation. I respectfully request that the committee allow for this request with a view to bringing this urgent matter to some resolution.

I will appreciate any consideration you may give this request.

Sincerely yours,

ALEXANDER WILEY.

Mr. KASTENMEIER. Mr. Chairman, I appear today because of the floods affecting the city of Waukesha and other areas. I represent the Second District of Wisconsin, and I think I can very briefly show the area to the committee from this map. At the same time, I would point out that this flood—a recognition of what is causing these floods is the result of the Fox-Illinois River and this has been recognized by the Congress for some time.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. You may proceed.

Mr. KASTENMEIER. The headwaters of the Fox-Illinois River start in the northern part of Waukesha County, this being Lake Michigan and this [indicating] being Milwaukee, and run through the city of Waukesha which is now quite sizable.

In 1930 at the time of the first recognition for the need of a survey by the 71st Congress this county had 52,000 people and the city here had 17,000.

In 1950, after another resolution was passed by the Public Works Committee calling for such a study, a copy of which I have here, this county had risen to 85,000 population and is approximately 150,000 today. It is one of the 10 fastest growing counties in the country.

Now, the river runs through here [indicating] into Racine and Kenosha Counties, which are in the First District of Mr. Flynn, and then into Illinois.

I want to say that not only the city of Waukesha was affected, but virtually all the communities and land following the course of the river. I know that the city of Burlington in the First District was very badly affected.

I have here a chart, not of this year, but of 1959, going back in history with reference to the flooding conditions of the area south of the city of Waukesha in southern Waukesha County.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. KASTENMEIER. The point, Mr. Chairman, is that the history shows that this is progressively growing worse. There have been flooding conditions for quite some time. This is essentially a rural, and in fact, a resort area historically, but because of this tremendous concentration of population, what has happened is that the lands have been changed from farm and resort lands into subdivisions and into residences and the topsoil and other conditions have so changed that the water drainage has become unmanageable from the standpoint of absorption. As each year passes, the flooding situation grows not only for this area but for many areas downstream.

I have a number of statements as to the effect of this particular flood 2 weeks ago.

My request, Mr. Chairman, would be for the sum as stated by the Corps of Engineers as a capability for fiscal 1961. "The sum of $25,000," quoting, "could be utilized for this investigation in fiscal year 1961." This would not be the total amount required, but it would be the amount within their capability and also an amount required to, I think, assess any further needs for surveys.

Now, I have made available a copy of the newspaper, the Waukesha Daily Freeman, showing also very graphically the flood conditions 2 weeks ago. This resulted in flooding out of 300 homes, detouring railroads, closing schools, and electric power was shut off.

I am going to conclude at this point, Mr. Chairman, in urging that the committee seriously consider this survey for fiscal year 1961. I thank the committee.

Mr. CANNON. Thank you, Congressman.

Mr. JENSEN. It seems that the flood situation this spring has been much more general all over the United States than ever before to my knowledge. Did you have an extra-heavy snow up in your area?

Mr. KASTENMEIER. Yes, Mr. Jensen, we did.

Mr. JENSEN. And, the ground was frozen before the snow fell?

Mr. KASTENMEIER. Yes, sir; it was.

Mr. JENSEN. That is a condition which existed it seems in most of the areas except, of course, the warmer South. In my district and all over the Middle West the ground was frozen solid and then we had from 40 to 80 inches of snow, and then came a few warm days and the snow melted quickly. Instead of soaking in the ground, most of it ran off and it got into the tributaries and the main streams and it created a terriffic flood problem. As the chairman indicated, there was a more general flood situation than I have ever known of before.

Mr. KASTENMEIER. If I may only add this comment: I think this is true and this accounted for the severity of this particular flood, although in this area we do have a chronic condition going back many years of floods and nothing has been done to the Wisconsin portion of this river in history with respect to any Federal work by the Corps of Engineers dredging or widening or any other work on it.

STATEMENT OF REPRESENTATIVE GERALD T. FLYNN OF WISCONSIN

Mr. CANNON. Congressman Flynn of Wisconsin.

Mr. FLYNN. Mr. Chairman, I will try to keep it less than 1 minute. I certainly appreciate the privilege of appearing, and I would like to associate myself with Congressman Kastenmeier in everything that he said. This river runs through Congressman Kastenmeier's district and runs through my entire district, right across it, and on down into Congresswoman Church's district and has caused considerable damage, not only this year but in many preceding years. What the Congressman says as to the cause this year, I believe, is correct. We had the largest snowfall in this area in the history of the country, at least dating back to 1900, and we do believe that was the direct cause of the serious situation we had this year. Two weeks ago roads were blocked off and people were rescued from the lowlands in motorboats. In the city of Burlington there were at least eight businesses that were completely under water and water was standing as deep as 8 feet in some of the stores in the city of Burlington, and the whole town was flooded. The water was right up to the main street. The situation was acute but not as bad this year as similar situations which existed in other years, particularly last year in 1959.

In addition to this we are caught in the pincers between the development of the cities of Chicago and Milwaukee, and I believe this is one of the fastest-growing urban development areas in the United States. The population growth is immense and this area which was formerly for farming is quite urban in nature with subdivisions forming, and with the increase in developed property, we have suffered increased damage along the rivers. For instance, there was one restaurant which was built in the low part, a very prominent and fine restaurant, and it was virtually destroyed in the flood 2 weeks ago.

In addition to this, this river flows over into Chicago, or over into Illinois, and goes by the site of the Bong Air Base which has recently been abandoned. The drainage there at the Bong Air Base which involves 6,000 acres of land, approximately, has changed and flows across a 3½-mile area into this river and has caused tremendous damage to the farmers. This matter has been turned over to attorneys, and I believe there is a suit either pending or being filed in the court of claims for about $1 million for damages caused the farmers. This is one of the reasons why I think the study should be made, and that is that the river lies low. The canal that we built to service this federally owned property, the Bong Air Base, which is causing the damage, will be lower than the river itself. In other words, that means digging a canal about 3½ miles long to reach the river. When they get there, they will be lower than the river, and it is going to require a large ponding operation involving possibly a couple thousand acres in order to take care of the situation.

Coupled with this is this dam that lies some 3 or 4 miles south, and nothing can be done until the problem of this dam is taken care of, and it will require Federal intervention, removal of the dam or the putting in of a further gate in the dam which is objected to by the conservation groups. A study is going to have to be made with reference to this claim that will be pending in the Court of Claims. I believe the

Corps of Engineers has done part of this work on the Illinois side of the line and you will have to extend it at least as far as Waterford in my district and then on up into Congressman Kastenmeier's district.

I would like to urge that the study include the entire balance of the river. I believe the Illinois part is about done, but extending it into Congressman Kastenmeier's district will include my area. The Corps of Engineers has had a local study made last year because of the Bong Air Base problem, and I know the State of Wisconsin has just finished some study on the matter.

Therefore, I urge that the committee, if possible, see fit for the Corps of Engineers to make the study at this time.

Mr. CANNON. Thank you, Congressman Flynn.

Mr. FLYNN. I would like to revise and extend my remarks. Could I file a statement?

Mr. CANNON. We would be glad to include it in the record at this point.

(The statement referred to follows:)

Fox River is a long and useful river, having its origin in south central Wisconsin and flowing southward across the entire First District of Wisconsin which I represent and the Second District of Wisconsin represented by Congressman Kastenmeier, and then southward to Illinois into the district represented by Congresswoman Church. The river runs southward serving a large area in the State of Illinois and eventually finds an outlet into the Mississippi River. The river has had a long and useful existence and appears destined to become one of the main river outlets in a large urban area during the next decade. Heretofore, it has served a predominantly farming community and has furnished power for several feed mills and has had its waters dammed to provide recreation and fishing habitats. Large areas of the river are as wide as some lakes and these areas are dotted with summer homes and year-round homes. In the First Congressional District of Wisconsin, which I represent, it flows through the village of Waterford, the village of Rochester, and the city of Burlington. It carries the surface water from rain, snow and the spring for many miles on both sides of its banks. Numerous drainage districts, draining lands many miles away from the river find their outlet into the river. The area in which this river runs in the First Congressional District is in one of the fastest urbanizing localities in the United States in that it is caught in a pincer between the development of Chicago on one side and Milwaukee on the other side. The area it serves is rapidly becoming urban rather than rural. The river has long been known for its flooding. Much of the river runs through lowlands. You will note that damage caused from flooding is not of recent origin, for as you can see, the money for this study was provided many years ago. It is my understanding that most of the study required south of the Wisconsin-Illinois line has been completed. I urge, therefore, that the Corps of Engineers be instructed to complete the study this year on the area north of the Illinois line and in particular, the part that runs through Kenosha, Racine, and Waukesha Counties.

This river overflowed in 1959 causing severe damage along the river. It overflowed again in 1960 and just two weeks ago overflowed to a high point—it was the highest point ever reached by the Fox River. Great damage was caused in the Waterford area and in the Burlington area and in Racine County. Burlington is a middle-sized industrial city and the water had numerous stores and industrial buildings completely flooded. The water reached the business section of the city and large damage was sustained. Large crews worked along the banks of the river, piling bags of sand and attempting to contain the river within the framework of its banks.

Considering the length of this river, its usefulness, and the fact that in the future it will probably serve an even greater use, it would appear that the study should be completed now so that recommendations can be made as to improvements that should be installed. I sincerely urge my request that the study be completed at this time.

WEDNESDAY, APRIL 13, 1960.

CHENANGO AND JOHNSON CITY, N.Y.

WITNESS

HON. HOWARD W. ROBISON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. CANNON. Mr. Robison of New York.

Mr. ROBISON. Mr. Chairman and members of the committee, I am Howard W. Robison, representing the 37th District of New York.

Mr. Chairman, Santayana, the philosopher once said, "It takes patience to appreciate domestic bliss; volatile spirits prefer unhappiness."

You gentlemen must all fall into the latter category, for most assuredly you have each now heard sufficient evidence of "unhappiness" existing in various parts of our Nation to last you for the rest of this session. I realize that I must be near the end of the list of witnesses you have had to endure.

In any event, I am grateful for your patience and for this opportunity to appear before you in behalf of certain of my constituents, but I sincerely hope I shall not prove to be the "straw that breaks the camel's back."

Specifically, I wish to briefly address myself to what I believe to be compelling reasons for including the sum of $25,000 in the appropriation bill you have before you so as to permit a "start," during fiscal 1961, on two combined survey resolutions passed by the Senate Committee on Public Works last year. These resolutions would review the existing report on the north branch of the Susquehanna River—House Document 394, 84th Congress, and House Document 500, 81st Congress—with a view toward providing additional flood protection on the Chenango River in the town of Chenango, Broome County, N.Y., and at the confluence of the Chenango and Susquehanna Rivers in the vicinity of the village of Johnson City, N.Y. The estimated cost of such additional study has been set by the Corps of Engineers at $62,000, but I am informed by them that their "capabilities" in fiscal 1961 would not exceed the said sum of $25,000.

The need for consideration of additional flood protection at these points is predicated upon a local condition on the Chenango River whereunder, with a frequency of about once every year, a combination of ice jams and the runoff of melting snow and seasonal rainfall causes extensive damage to commercial structures as well as to private residences, and constitutes an annual threat to human life. Although such damage has been experienced annually, the worst such conditions in recent years were experienced in late January of 1959, when nearly 400 homes were inundated, a substantial number above the first floor, and many families had to be evacuated, which operation was, fortunately, carried out without loss of life. The Corps of Engineers has reviewed the resulting damage on that occasion, and has estimated it as being in excess of $200,000. Again, this year, the Chenango River crested at 2 feet above flood stage, and the town of Chenango area was again inundated, though not to the same depth, damage being limited

to water systems, heating plants, foundations, septic-tank installations, and basements. On both occasions, however, as usually happens every year, the main highway in the area was blocked by floodwaters and ice cakes, and there was extensive damage to the surface of three secondary roads. This year, about 35 families in the town of Chenango voluntarily evacuated their homes, and those other families who did not, stayed on during a 10-day period of extreme apprehension. The Johnson City area, downstream, with substantial commercial investments, was again threatened, but fortunately escaped all but minor damage.

After last year's extension damage, local authorities took steps to bring this condition to the attention of the Corps of Engineers and I firmly believe that, but for the mechanics of the budgetmaking process, the presently requested "start" on this study would have been included among the budgeted items now before you. In any event, I am assured by the New York district engineer that this study has a high priority on his list of similar projects and will undoubtedly be among the items recommended for your consideration a year from now.

I believe there is emergency justification, even in the face of the serious budgetary situation you face, for at least beginning this study this year. That belief is based on the facts I have briefly given you, and on the further factor that certain proposed highway projects in the same general area, including a portion of the so-called Penn-Can Highway, an interstate project, and the reconstruction of a portion of Route 17 on the matching-funds basis, are now in the development stage and it has been proposed, with informal Army Engineers' approval, that if a section of the Chenango River in question should be relocated, not only would substantial savings in the cost of acquisition of rights-of-way be realized, but the flood problem might also for the most part be eliminated.

The figure the local highway people are using for such savings is $6,600,000. Moreover, such a proposed relocation of the river, as I am informed by the New York district engineer, would not negate the need for this study, but, in fact, would intensify the need thereof since any beneficent effect on the flood problem from such relocation would be given due consideration.

Gentlemen, I thank you most sincerely for your time, and would be pleased to answer any questions you may have.

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. JENSEN. You are asking for $25,000 for investigation?

Mr. ROBISON. For a start, Congressman, on the investigation.

Mr. JENSEN. Which is not in the budget?

Mr. ROBISON. That is correct.

Mr. JENSEN. We understand your problem, Congressman. I am sure the committee will give it consideration.

Mr. BOLAND. After looking at the photographs, Mr. Chairman, I suggest everybody in Chenango go in the ice business.

Mr. ROBISON. We could well do so. May I leave the photographs with you for exhibits? Have you need for them?

Mr. BOLAND. They should be left with the committee.

Mr. JENSEN. I understand the study is authorized but not budgeted.

Mr. ROBISON. That is correct.

Mr. JENSEN. It is authorized. Thank you.

WEDNESDAY, APRIL 13, 1960.

DEEPENING OF TRENTON CHANNEL

WITNESSES

C. THORNE MURPHY, VICE PRESIDENT, McLOUTH STEEL CORP.
R. C. McLAUGHLIN

Mr. RABAUT. Mr. Chairman.

Mr. CANNON. The gentleman from Michigan.

Mr. RABAUT. We have with us today Mr. Robert C. McLaughlin, and Mr. Thorne Murphy of the McLouth Steel Corp. They are here on the deepening of the Trenton Channel. It is in Congressman Lesinski's district. He had to be out of town today and asked me to introduce you to the committee. I understand Mr. Murphy will make the presentation.

Mr. MURPHY. Yes, Mr. Chairman. We are here to solicit your report for an appropriation for the deepening of the Trenton Channel of the Detroit River. I would like to present my statement for the record.

Mr. CANNON. It will be made part of the record.

(Mr. Murphy's prepared statement follows:)

My name is C. T. Murphy. I am vice president of McLouth Steel Corp. in Detroit, Mich.

McLouth Steel Corp. is the 12th largest basic steel producer in the United States. Our products are flat rolled carbon and stainless steels.

I am appearing before you today in support of an appropriation for the deepening of the Trenton Channel of the Detroit River approved by the U.S. Army Corps of Engineers in April 1959, and subsequently approved by the Board of Engineers for Rivers and Harbors on October 20, 1959. This project, costing $8,570,000, is for the purpose of increasing the channel depth from 21 feet to 27 feet. The Corps of Engineers has determined that this project has a cost-benefit ratio of 4.4 to 1.

The project for a long time has been championed by civic leaders of Detroit, Wyandotte, Trenton, and the entire southeastern area of Michigan. It has the complete endorsement of the Michigan Waterways Commission, the Port of Detroit Commission, and other public agencies in the area.

The deepening of the Trenton Channel is of vital importance to the industry and employees of the area. As an example, this is how it affects our future employment and growth.

A 21-foot channel limits the size of lake carriers coming to our dock to 10,000 gross tons. We have ordered 2,350,000 tons of iron ore to be delivered during the 7 months of the 1960 shipping season. The ore will be shipped in 235 cargoes of 10,000 tons each or 1 ship every 21 hours during the entire season. This is an exacting schedule and does not take into account 500,000 tons of limestone and other materials which will be received by ship during the same season. The limitation of the 21-foot channel present a serious operational problem.

McLouth Steel Corp. has been a growth company in a highly competitive industry and the economy of the area has grown with it. In the last 11 years, we have spent $200 million for capital investment; our employment has increased from 800 employees to 4,400; and our production which was less than 200,000 ingot tons in 1949 has increased to our present capacity of 2,040,000 tons annually.

Future planned expansion at the Trenton plant is not practical until a deepwater channel is available.

The area is in a competitive disadvantage if it is required to continue the use of 10,000-ton ships. Millions of dollars have been spent on the St. Lawrence Seaway, foreign trade is available, but deepwater channels are imperative if the area is to fully utilize the economic advantage provided by the seaway.

Speaking as one industry in the area, we are convinced that a deepwater channel will enable us to continue to expand our facilities, to create better

efficiency in our operations, and consequently provide more jobs and additional prosperity to the entire area.

We, therefore, sincerely hope that the committee will give this request its favorable consideration and approve the appropriation.

Mr. MURPHY. This project has been approved by the U.S. Corps of Engineers and by the Board of Engineers for Rivers and Harbors. The cost of the project is $8,570,000. The ratio of benefit to cost is 4.4 to 1.

The project has had for some time the enthusiastic support of all the civic people in Detroit, Wyandotte, Trenton, and all of that area that lies along the Detroit River south of Detroit, Mich.

We feel justified in taking your time in appearing here today on two scores: No. 1, we think the ratio of benefit to cost warrants your consideration; secondly, we have had a history since our first operational steel was made at the Trenton, Mich., plant of providing jobs.

In 1949, the first year of full operation, we employed 800 men at that plant. Today, 11 years later, we are employing 4,400-plus. In 1949 we produced approximately 200,000 ingot tons of steel and in 1959 we produced 2,040,000 tons, which puts us in the 12th position in the basic steel producers in the United States.

We have planned expansion on our agenda. We have the property, we have the know-how, and after spending $200 million to do what we have done to date in the span of 11 years, we think we have established ourselves in the industry, highly competitive as it is, so that we can go ahead with our expansion program.

However, there is one great deterrent, which is the fact that a 21-foot channel limits the ore boats coming into our dock to 10,000 tons. These boats are the oldest boats, the slowest boats, and the most expensive to operate, by far the slowest to unload because of the size of the hatches.

This year we will bring in 2,850,000 tons of material to our dock at Trenton, 2,350,000 tons will be iron ore. That ore in 10,000-ton boats means 235 trips. That is one boat in, unloaded and out, every 21 hours. That is a very tight schedule and it presents a severe operational problem. That does not take into consideration the 500,000 or more tons of limestone which we will require and other quantities of other materials.

So that we are at a point where we have plans to expand, we have the property, and we want to expand, but at this point it is not practicable to do it with the 10,000-ton limitation on the boats that can service us.

In addition to that, we can stand on our property and look over to the St. Lawrence Seaway, with a 27-foot depth, that goes up just the other side of Gross Ile Island. We have business that could be ours if we could get to that 27-foot channel or, rather, if the boats from the 27-foot channel could get to us without having to be lightered at Contrecouer, Quebec, or some other place and come in in partial cargoes.

That is our story. We feel that we have job potential for our area. The people in our area feel exactly the same way. We recommend very seriously for your consideration the deepening of this channel. Thank you very much.

Mr. RABAUT. Thank you, Mr. Murphy. Mr. McLaughlin, did you want to say something?

Mr. MCLAUGHLIN. Thank you very much, Congressman.

Mr. RABAUT. At this point in the record I want to put in a letter from the Port of Detroit Commission on this subject, and also there are letters here from Congressman Lesinski on this subject, one to the chairman of the committee.

Mr. CANNON. Very well; the documents will be included in the record.

(The letters from the Port of Detroit Commission and Mr. Lesinski follow:)

APRIL 12, 1960.

Hon. CLARENCE CANNON,
Chairman and Members Subcommittee on Public Works,
House Committee on Appropriations, Washington, D.C.

MR. CHAIRMAN AND MEMBERS: We respectfully request your honorable committee to make an appropriation for the Trenton Channel navigational improvement project (H. Doc. No. 319, 86th Cong.) in advance of, and contingent upon, authorization.

The final report on this project was not submitted prior to passage by the House of the omnibus authorization bill (H.R. 7634) on July 16, 1959, and, therefore, was not included.

It is now pending before the Senate Committee on Public Works, with hearings scheduled by the Subcommittee on Flood Control, Rivers and Harbors, on April 19th and 25th, and we have every reason to believe this project will be included in the legislation by the Senate.

Col. Harry Fischer, Regional Engineer, North Central Division, U.S. Army Corps of Engineers, recently testified before the Subcommittee on Public Works, Senate Committee on Appropriations, that he could use funds during fiscal 1961 on this project, providing it is authorized.

The project has been favorably recommended by our local district engineer, the North Central Division Engineer, the Board of Engineers, Chief of Engineers, and the Secretary of the Army. It has also been approved by the Bureau of the Budget.

The project was endorsed last year by the National Rivers and Harbors Congress, and has the backing locally, by formal resolution, of the Board of Wayne County Supervisors, the Out-County Supervisors' Association, 15 cities, 3 villages and 6 townships throughout the entire county, with some 15 more expected to formally act in favor by April 23.

The Wayne County Council AFL-CIO, Teamsters Joint Council 43, Detroit and vicinity, have endorsed the project and the Detroit Building Trades Council has given assurance they will take action at their next meeting.

The Greater Detroit Board of Commerce and the Down River Chamber of Commerce have already adopted affirmative resolutions, and other chambers of commerce in the downriver area and in the western part of the county contemplate similar action at an early date.

Inasmuch as it is not possible for a member of our commission to appear before your honorable committee before the hearing's adjournment tomorrow, we are making this presentation in writing.

Respectfully submitted.

DETROIT-WAYNE COUNTY PORT COMMISSION,
ROBERT HOLMES, *Chairman.*

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVE,
Washington, D.C., April 11, 1960.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: I refer to House Document 319, 86th Congress, the report of the Army Engineers on the Trenton Channel in the Detroit River, Mich. For your convenience a copy of the document is enclosed.

As you will note, the project has been approved by the executive agencies. Because the report had not been submitted prior to House passage of H.R. 7634,

the project could not be included in the omnibus bill. However, indications are that it will be put in the authorization bill during Senate deliberations.

The project is vital to the economic and industrial development of the area and will benefit not only Wayne County but the entire State of Michigan. Having worked for the project for a number of years, I should like to see work on it started at the earliest possible date.

Colonel Wilson, Detroit district engineer, has informed me that his spending capability for fiscal year 1961 would be $90,000 for planning the project.

I shall very much appreciate any action you are able to take to provide funds for the project so that work on it can be commenced in fiscal year 1961.

Thanking you for your consideration, I am

Sincerely yours,

JOHN LESINSKI, *Member of Congress.*

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. JENSEN. I have been interested in your very fine presentation. Are you having difficulty with foreign imports of steel, meeting their competition?

Mr. MURPHY. Foreign imports are becoming quite a problem. Fortunately, up to this particular time they have not hit the type and quality of steel we make. They have come in more in the form of light structurals, bars, wire, barbed wire, and heavy rough plate, but it is going to come because it is only a question of time before they have the know-how.

Mr. JENSEN. What types of steel do you make?

Mr. MURPHY. We make hot and cold rolled flat carbon steel in various ranges and stainless steel.

Mr. JENSEN. Sooner or later foreign countries will produce the same kind of steel as you produce, and then you will be in trouble unless we raise the tariff.

Mr. MURPHY. Strange as it may seem, we have a better than even chance of getting a fairly sizable tonnage of export steel.

Mr. JENSEN. You do?

Mr. MURPHY. But we cannot bring the oceangoing boats into our dock. We have to take it down and load it someplace else.

Mr. JENSEN. Thank you.

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. I know you want to deepen the river. You say it is a 21-foot channel at the present time?

Mr. MURPHY. Yes; the project is to deepen it to 27 feet, which is the standard depth of the St. Lawrence Waterway.

Mr. JENSEN. How far is the St. Lawrence Waterway from your property?

Mr. MURPHY. I would say it is probably a quarter of a mile, but we could not get to it directly. It has to go up and come back down the Trenton Channel, which is an old waterway.

Mr. RABAUT. This deepening is needed to permit access to your docks by the larger boats using the new 27-foot channel.

Mr. MURPHY. That is right.

Mr. JENSEN. Thank you.

Mr. RABAUT. Thank you very much, gentlemen.

WEDNESDAY, APRIL 13, 1960.

SNAKE RIVER

WITNESS

DORSEY M. MARTIN, CHAIRMAN, PORT OF COLUMBIA COUNTY, DAYTON, WASH., AND PRESIDENT OF THE LOWER SNAKE RIVER PORTS ASSOCIATION

Mr. CANNON. Mr. Martin.

Mr. MARTIN. Mr. Chairman, I want to thank you for the opportunity to speak before the subcommittee and thank you for your generous allocations already to the Northwest. I will make my statement as brief as possible.

My name is Dorsey M. Martin, chairman, port of Columbia County, Dayton, Wash., and president of the Lower Snake River Ports Association, consisting of the port of Columbia County, port of Garfield County, port of Whitman County, and port of Clarkston (Asotin County) in the State of Washington and the port of Lewiston (Nez Perce County) in the State of Idaho. As we are all newly formed port districts on the lower Snake River, we are banded together in this association to assist each other in planning for the future and by so doing increase the economy of the five counties, thus benefiting all the people.

Our area encompasses many thousand acres of rich farmlands and timber resources to be enhanced by construction of the series of dams on the lower Snake River which will complete river navigation from Ice Harbor Dam, the first dam on the Snake now nearing completion at the end of McNary Pool, to Lewiston, Idaho, and Clarkston, Wash.

The completion of this water route would then make possible the movement of vast wheat crops, timber, and mineral resources located in this area to ocean ports as they move down the Snake River, into the Columbia, and on to the Pacific Ocean.

This movement by water to the downriver ports would be of great value to the economics of the entire region, not to mention the large area that will be opened for the transportation of goods to these communities upstream.

We would, therefore, respectfully request this committee to make the $5 million requested by the Inland Empire Waterways Association available for the start of the construction of Lower Monumental lock and dam during fiscal year 1961. This is the second dam in the series on the Snake River and is located just above Ice Harbor pool.

It also appears logical that in the planning for Little Goose and Lower Granite locks and dams, the third and fourth in the series on the lower Snake River, funds should be provided for the two projects at the same time. We believe, due to their location and design, a considerable amount of money could be saved by concurrent planning of these two propects. The full value of the lower Snake River program cannot be fully realized until we have slackwater navigation to the Clarkston-Lewiston area the year around.

The Bureau of the Budget has provided $550,000 for the Little Goose project in their recommendations, but has omitted any plan-

ning funds for Lower Granite lock and dam. We endorse the recommended $550,000 for Little Goose, but would like to urge an appropriation in the same amount for planning of Lower Granite. The completion of the Lewis and Clark Highway in 1961 will require costly relocation of the bypasses in that area during the construction of Lower Granite lock and dam and planning funds for Lower Granite in fiscal year 1961 would make it possible to coordinate the diking necessary thus saving a considerable amount of funds.

We would again respectfully request starting construction funds of $5 million for Lower Monumental lock and dam and appropriations of $550,000 each in planning funds for Little Goose and Lower Granite locks and dams. We feel great savings may be made in this manner and it will expedite the completion of another great inland waterway for the Nation.

Mr. CANNON. Thank you, Mr. Martin.

Mr. MARTIN. Thank you, Mr. Chairman.

WEDNESDAY, APRIL 13, 1960.

MANISTEE HARBOR

WITNESSES

ROBERT WILSON, CHAIRMAN, RIVERS AND HARBORS COMMITTEE OF THE MANISTEE COUNTY BOARD OF COMMERCE
ROGER L. CAMPBELL, MANISTEE CITY ATTORNEY
HARRY ZIMMERMAN, SECRETARY-MANAGER, MANISTEE COUNTY BOARD OF COMMERCE

Mr. CANNON. Mr. Wilson, chairman of the Rivers and Harbors Committee, Manistee, Mich.

Mr. WILSON. My name is Robert Wilson, chairman of the Rivers and Harbors Committee of the Manistee County Board of Commerce. I am a resident of the city of Manistee, Mich.

I appreciate the opportunity of appearing before this committee to briefly describe the urgent need of our request for the appropriation of Federal funds for the Manistee project in fiscal year 1961. These funds, supplemented with those of our community, will provide improvements of the Manistee River channel to a depth of 23 feet. Widening of the channel at the bends will also be provided, and it will provide for the elimination of the obsolete Maple Street Bridge by the construction of a new bridge in accordance with section VI, Public Law 647, 76th Congress as amended (33 U.S.C.A. 516). This channel connects our Manistee Lake Harbor with Lake Michigan.

The harbor of Manistee, Mich., adjacent to a town of 10,000 people, handles 700,000 tons annually. Our industries, dependent upon economical transportation, are being seriously hampered because large lake vessels cannot enter the harbor. Coupled with this disadvantage is the disturbing fact that the 7,000-ton self-unloading vessels presently employed are fast disappearing from the Great Lakes.

This restriction to our harbor is created by the relationship of the span between the existing bridge abutments of the Maple Street

Bridge and a sharp bend in the channel directly upstream from this bridge. The first photograph attached to this statement portrays this problem. The major portions of the requested improvements are outlined in white.

Made aware of these conditions, the Committee on Public Works of the House of Representatives authorized a river survey report by the U.S. Corps of Engineers on January 29, 1955. This report, which received the approval of the Board of Engineers for Rivers and Harbors in December 1959, states that the project has tangible benefits and the ratio of 1.3 to 1 indicating improvement of the project is economically justified.

These financial benefits occur largely in the form of freight savings derived from the use of larger lake vessels. The urgent nature of this project was fully realized during the 1959 shipping season. During this period even the small 7,000-ton vessels encountered difficulty negotiating the river channel. Frequently, as shown by the attached photos, tugs had to be employed to assist the vessels since they were not able to navigate the channel, clear the bridge, and navigate the bend under their own power.

This situation, if it continues, will raise havoc with our harbor-based industry. Rail transportation for coal alone would increase the delivered price of coal approximately $1.30 per ton. Water export from our harbor would also be drastically curtailed.

The present and future industrial life of Manistee and its surrounding counties is in jeopardy unless these conditions so detrimental to our harbor, are modified to meet present day requirements. A representative from our city government and the secretary-manager of the Manistee County Board of Commerce have accompanied me to indicate the concern in this project by the people of the area. The members of the Michigan State Waterways Commission have visited Manistee on several occasions to observe these conditions. They have been generous with their counsel, support, and have endorsed this project. Other interested private and governmental agencies have at the request of the Corps of Engineers presented their considered opinions which were favorable to this project.

Our community is hopeful that this project will receive favorable consideration from this committee so that funds are available for this work. I am informally advised that Col. Harry Fischer, regional engineer, North Central Region, U.S. Corps of Engineers, has informed Subcommittee on Public Works, Senate Committee on Appropriations, that he could use some moneys on this project during fiscal year 1961 if appropriated by the Congress.

Mr. Chairman, this concludes my statement. May I, on behalf of myself and the citizens of my community, thank you for the opportunity of appearing before your committee to tell you about this project.

I would be pleased to answer any of your questions. Your interest in our welfare and support of this request is greatly appreciated.

I have a letter from the mayor of the city of Manistee which I request permission to include in the record.

Mr. CANNON. Very well; it will be made part of the record.

(The letter referred to follows:)

CITY OF MANISTEE, MICH.,
April 8, 1960.

SUBCOMMITTEE ON PUBLIC WORKS OF THE HOUSE APPROPRIATIONS COMMITTEE,
Washington, D.C.

GENTLEMEN: I am more than pleased to be able to inform you that the citizens of Manistee gave an overwhelming approval to participation by the city in the proposed Manistee Harbor and Maple Street Bridge project. Authorization for the city to bond in order to meet our share of the project was given by a vote of 2,096 to 89.

We appreciate and thank you for your interest in this matter.

Yours very truly,

RAY T. WISSNER,
Mayor, City of Manistee.

Mr. CANNON. Thank you, Mr. Wilson.

WEDNESDAY, APRIL 13, 1960.

OREGON PROJECTS

WITNESS

THOMAS J. MURRAY, PORT CONSULTANT TO THE STATE OF OREGON DEPARTMENT OF PLANNING AND DEVELOPMENT

Mr. CANNON. Mr. Murray, you wish to be heard on Oregon projects?

Mr. MURRAY. Yes, sir.

Mr. CANNON. What are those projects?

Mr. MURRAY. All the navigation projects in the State, sir.

Mr. CANNON. You may proceed.

Mr. MURRAY. May I ask, sir, that the two prepared statements be entered in the record?

Mr. CANNON. They may be made part of the record.

(The statements referred to follow:)

STATEMENT OF THOMAS J. MURRAY, PORT CONSULTANT TO THE STATE OF OREGON DEPARTMENT OF PLANNING AND DEVELOPMENT

My name is Thomas J. Murray, and I am appearing before this committee in behalf of the State of Oregon.

The Honorable Mark O. Hatfield, Governor of Oregon, requests that your committee recommend appropriation of funds for the navigation projects proposed for Oregon which are included in the fiscal 1961 Federal budget now being considered.

Governor Hatfield also requests your recommendation for appropriation of funds for navigation projects in Oregon which the Corps of Engineers, U.S. Army, indicate it could use during fiscal 1961 if available. These funds are referred to hereafter as capability funds.

The State of Oregon requests that your committee recommend appropriations of Federal funds to include the following:

1. The appropriation of $1 million budgeted for continuance of the maintenance rehabilitation of the south jetty at the mouth of the Columbia River.

2. The addition of $460,000 of capability funds to continue and complete phase 1 of the maintenance rehabilitation of the south jetty at the mouth of the Columbia River.

3. The appropriation of $50,000 budgeted for phase 2—advance planning and design of the maintenance rehabilitation of the south jetty at the mouth of the Columbia River.

4. The addition of $5,000 of capability funds to initiate a study of a river channel project in the Columbia River-Megler area.

5. The appropriation of $31,900 budgeted for completing the modification study of the Columbia River from the mouth to Portland-Vancouver.

6. The addition of $10,000 of capability funds to initiate a modification study of the Tillamook Bay and Bar project.

7. The appropriation of $300,000 budgeted to continue advance planning and design of the Yaquina Bay and Bar modification project.

8. The appropriation of $30,000 budgeted for advance planning and design of the maintenance rehabilitation of the south jetty at the mouth of the Siuslaw River.

9. The addition of $170,000 capability funds for initial construction of the maintenance rehabilitation of the south jetty at the mouth of the Siuslaw River.

10. The addition of $10,000 of capability funds for a feasibility study of a small-boat harbor on the Siuslaw River.

11. The appropriation of $11,300 budgeted to continue the navigation study of the Umpqua River.

12. The addition of $30,000 of capability funds for advance planning and design of the maintenance rehabilitation of the south jetty at the mouth of the Umpqua River.

13. The addition of $170,000 of capability funds for initial construction of the maintenance rehabilitation of the south jetty at the mouth of the Umpqua River.

14. The appropriation of $23,000 budgeted to initiate and complete advance planning and design for modification of the Coos-Millicoma River project.

15. The appropriation of $50,000 budgeted for advance planning and design of the maintenance rehabilitation of the south jetty at Coos Bay.

16. The addition of $150,000 of capability funds for initial construction of the maintenance rehabilitation of the south jetty at Coos Bay.

17. The addition of $6,000 of capability funds for initiation of a modification study of the Charleston small-boat harbor.

18. The addition of $8,400 of capability funds for the modification study of the navigation project on the Coquille River.

19. The addition of $9,000 of capability funds to initiate a study to determine the feasibility of providing Federal assistance for harbor facilities at Port Orford.

20. The appropriation of $1,792,000 budgeted for the completion of jetty construction and the dredging of an entrance channel at the Rogue River Harbor.

21. The addition of $3,000 of capability funds to initiate a small-boat harbor feasibility study on the Rogue River.

22. The addition of $6,000 of capability funds to initiate a harbor modification study on the Chetco River.

Summary of projects and budgeted funds

	Amount
Columbia River:	
South jetty rehabilitation and construction	$1,000,000
South jetty planning	50,000
Study	31,900
Yaquina Bay: Study	300,000
Siuslaw River: Jetty planning	30,000
Umpqua River: Study	11,300
Coos-Millicoma River: Planning	23,000
Coos Bay: Planning	50,000
Rogue River: New construction	1,792,000
Total budgeted funds	3,288,200

Summary of projects and capability funds

Project:	Amount
Columbia River, south jetty rehabilitation/construction	$460,000
Columbia River/Megler, study	5,000
Tillamook Bay and Bar, study	10,000
Siuslaw River, south jetty initial construction	170,000
Siuslaw River, study	10,000
Umpqua River, jetty planning	30,000
Umpqua River, south jetty initial construction	170,000
Coos Bay, south jetty initial construction	150,000
Coos Bay, study (Charleston)	6,000
Coquille River, study	8,400
Port Orford, study	9,000
Rogue River, study	3,000
Chetco River, study	6,000
Total capability funds	1,037,400

Governor Hatfield requests that we express his sincere concern for providing funds for the Port Orford Harbor project and for the earliest possible initiation of rehabilitation of the coastal jetty projects discussed. Storm damage in early 1960 destroyed the commercial dock facilities at Port Orford which caused severe losses to the commercial fishing and lumber industry dependent upon the harbor.

The most urgent need for jetty maintenance repair is on the Siuslaw River south jetty where the navigation project is in danger of becoming unusable. One severe storm can cause the loss of employment for many of the wage earners in the lumber mills dependent upon this waterway. A separate brief which is to be presented to this committee outlines the urgent need for the maintenance repair of the Umpqua River south jetty. The sunken condition of this jetty has already contributed heavily to the loss of lives, as well as the loss of a once very prosperous commercial fishing industry.

The projects included herein, for which capability funds are requested, are those which are planned for undertaking by the Corps of Engineers. A number of these are required to sustain employment in the coastal region in Oregon. Any delay in initiating such projects will add to their cost, and it is for this reason we now advocate the appropriation of funds to get these needed navigation projects underway.

We express our sincere appreciation for the opportunity to make this presentation.

REQUEST FOR APPROPRIATION FOR EMERGENCY MAINTENANCE REPAIR OF JETTY SYSTEM, UMPQUA RIVER AND HARBOR, OREG., TO CORPS OF ENGINEERS, U.S. ARMY, HOUSE AND SENATE APPROPRIATIONS COMMITTEES, CONGRESS OF THE UNITED STATES, BY PORT OF UMPQUA, REEDSPORT, OREG., APRIL 12, 1960

I. REQUEST FOR APPROPRIATIONS

This request by the port of Umpqua, a municipal agency in the State of Oregon, is for the Congress of the United States to appropriate, in the fiscal year 1961 Federal budget now being considered, the sum of $200,000 ($30,000 of this amount for advance planning and design funds, and $170,000 for initial construction) for the emergency maintenance repair of the south jetty at the entrance of the Umpqua River, Oreg. This jetty is an integral part of the Umpqua River and Harbor project which has been authorized and constructed by the Federal Government. The Corps of Engineers, U.S. Army, indicates that at this time the most feasible improvement to alleviate the dangerous conditions at the mouth of the river is to rehabilitate the south jetty. Attached as exhibit A is letter dated February 25, 1960, from the Office of the Chief of Engineers confirming the feasibility of this improvement.

The amounts requested herein are those estimated and indicated by the Corps of Engineers for planning and capability funds usable during the fiscal year 1961.

Any delay of maintenance repair could well place the date of actual repair beyond the time when the need for such work has passed the critical stage. Prior to outlining the problem, which generates the urgent need for repair, an introduction to the project follows.

II. THE UMPQUA RIVER AND HARBOR PROJECT

The existing Federal project, referred to as the Umpqua River and Harbor project, Oregon, provides for navigation channels of specific dimensions and for two jetties at the mouth of the river; a north jetty 8,000 feet long; and a south jetty 4,200 feet long.

The Annual Report of the Chief of Engineers, U.S. Army, on Civil Works Activities, 1958, shows the total investment in the project to be $7,285,100. Of this amount, $7,008,600 is from Federal funds and $276,500 is from contributed funds. The latter represents funds provided by taxpayers of the port of Umpqua Port District as their contribution toward the cost of the north jetty.

This tabulation of funds does not include $157,654 of capital invested by the port of Umpqua for dredging of the main navigation channel to a depth of 16 feet; nor does it include an investment of local area public funds exceeding $350,000 in small-craft harbor facilities at Winchester Bay which is located a few miles upriver from the ocean. No attempt has been made here to tabulate the large-scale investments made with funds from private capital for river and harbor facilities in the Umpqua River area.

It is our contention that unless the urgently needed maintenance repair of the jetty system at the mouth of the river is completed soon, the above investment of more than $7¾ million could be, for all practical purposes, considered wasted. The inability of vessels to use the Umpqua River entrance regularly and safely has already caused a substantial reduction in the use of the facilities.

III. THE EXISTING PROBLEM

The present problem at the Umpqua River entrance is the rough water conditions that exist in the channel for prolonged periods of time and from the sunken condition of the south jetty. This rought water, and the sunken jetty which is not visible or functioning properly, make a vessel crossing of the entrance between the ocean and river hazardous to both life and property.

These prolonged rough water conditions result from the lack of an adequate and functional jetty system at the mouth of the river.

There are actually three jetties at the entrance—the north, the south, and the training jetty. The last noted is a jetty built to supplement the south jetty and was constructed with money from maintence funds by the Corps of Engineers. The photograph on the following page shows these three jetties.

(Editor's note: Printing limitations preclude inclusion of the photograph.)

The basic problem at the entrance stems from the improper location of the south jetty, which was completed in 1933, then extended 1,700 feet to its present terminus in 1937–38. Alinement of the south jetty does not correspond with the main ebb, or outgoing, currents from the river. Instead, the ebb currents strike the jetty at an abrupt angle. This results in a deeply scoured channel against the outer end of the jetty and a large area of shoal water to the north. This shoal area between the jetties is known as the middle ground, and presents a serious menace to navigation. The swells and waves break when they strike these shoal areas, thereby contributing to the rough water conditions in the entrance.

The excessive width of 1,800 feet between the outer ends of the north and south jetties causes rough water conditions and also causes eddies and reverse shore currents which move contrary to the main stream. The distance between the jetties at the outer ends is almost twice the distance of the natural passageway for the river a short distance upstream from the entrance.

The ebb currents striking the south jetty at an abrupt angle contributed to the deterioration and subsidence of the structure. This led to the need for maintenance rehabilitation of the jetty in the early 1940's. However, prior to expending funds for maintenance of the structure, the Corps of Engineers conducted a model study investigation of the Umpqua River entrance at their experiment station at Vicksburg, Miss. The results of this study are included in a report entitled "Plans for Reduction of Shoaling at the Entrance to

Umpqua River, Oreg." This report is contained in technical memorandum No. 2-277, Waterways Experiment Station, Vicksburg, Miss.

The model study and report resulted in the construction of the training jetty rather than a maintenance rehabilitation of the south jetty. The training jetty, 5,550 feet in length, was constructed in 1950-51 to roughly parallel the existing north jetty. Boatmen and other users of the river contend that the training jetty did better the conditions in the entrance channel. However, when the training jetty was constructed to its present length, it was recognized that further extension of the jetty seaward would have made the structure even more effective. It was reported that the lack of funds was the reason for not extending it at that time.

During the intervening period between completion of the training jetty and the present date, a further and substantial deterioration of the south jetty has taken place. About one-third of the length of the south jetty at the seaward end is sunken and below water at all times, and on high tides practically the entire structure is under water.

The sunken portion of the south jetty is in itself a menace to navigation because it is under water and not always detectable. It does not provide adequate protection for the entrance channel from wind and waves. This contributes to rough water in the channel. Sand is carried over and through the jetty into the channel which adds to shoal areas, which, in turn, contribute to the need for maintenance dredging of the channel.

The hazards at the entrance are causing serious concern to local communities which are dependent upon adequate navigation facilities on the river for their livelihood.

One of the greatest concerns is to remove the hazards which have contributed in part to the loss of 22 lives in the vicinity of the entrance between 1951 and 1959. The loss by year during that period shows:

Year:	*Lives lost*	Year—Continued	*Lives lost*
1951	3	1957	1
1952	4	1958	3
1953	3	1959	3
1954	1		
1955	4	Total	22
1956	0		

Details on 19 of the 22 fatalities to and including 1958 are included in a letter from the 13th Coast Guard District, Seattle, Wash., dated March 3, 1959, attached as exhibit B.

While the preceding tabulation of lives lost reaches extraordinary proportions, it is recognized that the total number cannot be attributed directly to the sunken south jetty or the hazardous entrance. Human error no doubt counts for a share. However, of the lives lost, some were commercial fishermen who are notedly good and cautious seamen and well acquainted with the physical location and conditions of the entrance and harbor facilities.

It has been reported that the Coast Guard patrol boats stationed at the Umpqua Lifeboat Station have also inadvertently crossed the sunken portion of the south jetty. This points up the danger of this structure even to those intimately aware of its location and sunken condition.

In March 1960, the Umpqua Coast Guard Station reported an almost constant surge of 3 to 4 feet in height completely across the entrance channel and breakers inside the channel between the north jetty and training jetty. These conditions have restricted the use of the entrance by small boats in the 14- to 16-foot class. The continuance of these conditions and restrictions during the summertime could virtually bankrupt the small-boat harbor and related facilities at Winchester Bay.

Another concern is for the loss of a large segment of the area's commercial fishing industry. The hazardous entrance causes a chainlike reaction in this industry. First, the fishermen are leaving the area because of the hazards and consequent delays in entering and leaving the harbor. This decline in numbers has resulted in less fish being landed in the port. This, in turn, has caused fish buyers and packing and canning facilities to curtail operations and move to other port areas where sufficient fish tonnages are available to sustain their operations. The number of employees at the local Winchester Bay Fish Co. has declined from 147 in 1955 to 3 in 1960. The statement attached as exhibit C details the loss to the port area's only cannery.

During January and February of 1960, 52 commercial fishermen who have used the Umpqua River facilities for a good many years were interviewed to determine their thinking on the conditions at the Umpqua River entrance and its affect on their industry. Of the 52 interviewed, 34 stated that they have ceased using the Umpqua River facilities. Their reasons were generally the same—the loss of earnings from delays encountered in not being able to get into, or out of, the harbor because of rough water and the consequent hazard in crossing the entrance.

The following taken from the statement of D. J. Krogel, one of the 52 commercial fishermen interviewed, indicates a general consensus of opinion among present and past users of the entrance. Mr. Krogel states:

"In its present condition it is the worst and most dangerous bar on the Pacific coast, but it could be improved to one of the best."

The four statements of commercial fishermen appended to this request and marked as exhibit D typify the responses from the majority of the commercial fishermen contacted. The attached statement of H. C. Knutson who has moved to the port of Coos Bay, Oreg., where delay time is considerably less than experienced at the Umpqua River entrance, indicates an annual increase in earnings of 56 percent during the first year of operations from the other port.

The continued decrease in the number of active commercial fishermen using the port and the continued annual decline in use of the river facilities by sportfishing and recreational boats is now causing economic hardship to many in the river area communities. If allowed to continue, these losses will bankrupt many now dependent upon the boating industry and render worthless the investment by the port commission and county in the small-boat harbor facilities at Winchester Bay.

The following comparison shows the number of boat crossings of the Umpqua River entrance during the periods between June and September for each of the last 3 years. These records were compiled and furnished by the Umpqua Coast Guard Station:

Type vessel	1957	1958	1959	Decline, 1959 versus 1957 (Percent)
Skiffs	12,724	6,326	5,250	59
Pleasure boats	6,184	3,220	2,610	58
Charter boats	3,898	2,389	2,444	37
Commercial fishing boats	4,949	2,682	1,130	77
Total	27,755	14,617	11,434	59

The last and most serious concern of the local communities is for the maintenance of adequate port facilities which will insure continuation of the commercial water carrier service for transporting lumber from mills in the region. This water carrier service declined to almost a vanishing point in 1957 and 1958.

The rough water conditions and restricted channel depths caused by shoal areas in the channels have caused serious and costly delays to Pacific coastwise water carriers. Any serious decline of this water carrier service from the Reedsport-Gardiner area would cause a considerable increase in transportation costs for lumber products from the area. This would cause economic havoc to many in the communities bordering the Umpqua River. The statement attached hereto as exhibit E reveals the problem and the losses facing commercial lumber carriers providing coastwise service from the Umpqua River.

IV. THE NEED FOR ADEQUATE WATERWAY FACILITIES ON THE UMPQUA RIVER

Adequate waterway facilities on the Umpqua River are needed to halt the decline and sustain existing vessel traffic, recapture lost traffic, and take advantage of the large potential of traffic that is available to the area.

The tangible, direct, and primary economic benefits which will accrue to the public at large from the rehabilitation of the Umpqua River jetty system and maintenance of river channels will, to a great extent, be derived from the sustaining of the commercial fishing industry, the economy it supports, and insuring the continuance of low-cost water carrier service for transportation of the lumber products from the area. An adequate waterway will also make possible the realization of the potentials of the area that are real and practicable.

During 1957 and 1958 lumber tonnages on the Umpqua River dropped to an all-time low. The primary reasons for this decline included the general slump felt in the entire lumber industry nationwide, and the closing of two of Reedsport's long-time water shipping lumber mills.

One of these mills, the Reedsport Mill, was reopened in 1958 as a community venture by local businessmen to reestablish much needed payrolls to stiffen the general economy of the area. A total of 23.5 million board feet, or 39,586 tons, of lumber from this plant and other plants for which it handles lumber shipments moved via water carriers from the Umpqua River during 1959. The future annual tonnages to move via water carriers from this plant, as indicated by the plant's chief officer, will equal and possibly exceed the 1959 volume. This supporting statement is attached as exhibit F.

The E. K. Wood Lumber Co. was the other plant which closed and contributed greatly to the already depressed economy of the area and reduction in water carrier service during the 1956–57 period. This plant has now been dismantled and two new modernized mills constructed on the site by the Cascades Plywood Corp.—one a veneer plant and the other a stud mill which began operations in January of 1960. The production of the latter plant, an estimated 20 million board feet annually, will move in its entirety by water carrier if entrance and channel conditions permit the necessary water carrier service. A statement supporting this is attached as exhibit G.

The water carrier tonnage from the International Paper Co. plant at Gardiner, the Umpqua River area's largest integrated wood-utilization plant, could be increased by substantial volumes if the potential outlined in their supporting statement attached as exhibit H is realized. That statement indicates a plywood potential for water carriers and a total estimated amount of 30 million board feet of lumber per year, which could move in the coastwise and export lumber trade routes if barges and ships can provide direct service from the Umpqua port area.

The attached statement of International Paper Co. deals only with plywood and lumber tonnage potentials for water carriers. However, it is widely known in Oregon that this company has made extensive studies relative to the possible construction of a pulp and paper plant at their lumber and plywood mill site at Gardiner. The annual waterborne traffic potential to and from a pulp and paper plant consisting of petroleum products, wood chips, and manufactured products, could reach annual tonnage proportions of a magnitude which would more than provide the economic justification necessary to assure Federal support in maintaining and improving Umpqua River and Harbor facilities.

The Umpqua River Navigation Co. of Reedsport recently announced their plans for acquiring three oceangoing barges in 1960 with which to transport gravel and rock outbound from the Umpqua River to Oregon coastal port areas. The expected increase in this outbound tonnage will exceed amounts of more than 300,000 tons per year. The statement supporting this is attached as exhibit I.

The resurgence of large scale annual lumber tonnages in the Umpqua River area which can be moved via water carriers provides existing and immediate potential tonnages which are real. The Umpqua River area is one of the few regions in Oregon in which the annual assured timber supply is greater than the annual volume of production. This factor could insure waterborne tonnages if river and harbor facilities are adequate to allow economical, safe, and regularly scheduled water carrier service. The potential of annual waterborne tonnage cited herein will provide amounts of tonnage greater than ever before moved over the Umpqua Waterway in any 1 year of the past.

V. CONCLUSIONS

1. The entrance to the Umpqua River is unsafe for vessel crossings for extended periods of time and lacks protection from southerly winds and waves.

2. The sunken south jetty is a menace to navigation and has contributed to the loss of lives due to its being under water and not always detectable.

3. The hazards for vessels crossing the entrance have been increasing progressively and are now at an almost critical stage, and conditions are getting worse as time passes.

4. The number of lives lost in the vicinity of the Umpqua River entrance has reached extraordinary proportions. The jetty system at the river mouth contributed to these losses.

5. The sharp decline of the commercial fishing industry in the Umpqua River area is directly attributable to the unsafe and inadequate conditions of the entrance.

6. The decline in the numbers of small boats and pleasure craft using the entrance is causing alarm to an important segment of the economy of the surrounding communities.

7. Further decline or loss of the commercial lumber carrier service from the Reedsport-Gardiner area resulting from hazardous entrance conditions could cause economic havoc to a large part of the communities' economy.

8. The new lumber production in the Reedsport-Gardiner area and the potential waterborne tonnage in plywood, lumber, gravel and rock, and commodities to and from a prospective pulp and paper plant in Gardiner, will insure lasting water carrier tonnage potential on the Umpqua River Waterway.

9. The economic benefits to be derived by the public from a maintained and usable waterway on the Umpqua River more than justify the maintenance now needed to keep the waterway usable.

10. The Corps of Engineers, U.S. Army, indicates that at this time the most feasible improvement to alleviate the problem cited by local area interests is to rehabilitate the south jetty. The Corps of Engineers' currrent estimate of total cost of this rehabilitation is $1,500,000.

11. The need for adequate and safe waterway facilities on the Umpqua River is real and urgent.

The rehabilitation of the south jetty will make the Umpqua River navigation facilities safer and usable by barge and small-boat traffic until realinement of the jetty system at the river mouth can be studied and the necessary corrective works determined and economically justified.

Based on the information outlined in this request and supported by other data appended hereto, the port of Umpqua earnestly solicits the congressional assistance requested herein to appropriate $200,000 during this session of Congress to begin maintenance repair of the south jetty at the Umpqua River.

Respectfully submitted.

PORT OF UMPQUA,
O. H. HINSDALE,
President.

EXHIBIT A

HEADQUARTERS, DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., February 25, 1960.

Hon. RICHARD L. NEUBERGER,
U.S. Senate.

DEAR SENATOR NEUBERGER: Reference is made to your telephone conversation of February 19, 1960, concerning the south jetty at Salmon Harbor, Umpqua River, Oreg.

Following completion of the south jetty in 1938, difficulty was experienced in maintaining authorized depths in the entrance channel near the inner end of the jetties. This condition led to a model study of the entrance and to the subsequent construction in 1951 of the training jetty in lieu of reconstructing the south jetty. The training jetty has been effective in reducing the volume of shoaling in the upstream end of the entrance channel.

Based upon observations since completion of the training jetty and recent surveys, the division engineer, North Pacific division, considers that reconstruction of the south jetty would eliminate the present hazard of the submerged jetty to small craft navigation and would moderate the existing wave action between the two jetties.

I concur in the conclusion of the division engineer that restoration of the south jetty is the most feasible plan of alleviating the Umpqua River jetty problem without the delay inherent in new project authorization procedures. However, there are no funds now available or included in the President's budget for the fiscal year 1961 for rehabilitation of this structure. The inclusion of this work in future budgets would be subject to budgetary objectives and the needs of other worthy projects.

The outstanding navigation survey authorized by resolutions of the Senate and House Public Works Committees in 1956 could still consider the jetties from the overall objective of the study—to determine whether modification of the project is advisable as to securing a greater channel dimension in the entrance and inner channels.

Sincerely yours,

WILLIAM F. CASSIDY,
Major General, USA, Assistant Chief of Engineers for Civil Works.

EXHIBIT B

U.S. COAST GUARD,
THIRTEENTH COAST GUARD DISTRICT,
Seattle, Wash., March 3, 1959.

THOMAS J. MURRAY & ASSOCIATES,
Board of Trade Building, Portland, Oreg.

DEAR MR. MURRAY: Receipt of your letter dated February 9, 1959, requesting information concerning the causes and number of lives lost on the Umpqua River Bar in past years is hereby acknowledged.

A check of our records available at this time reveals the following:

Date	Number of persons	Cause
Jan. 5, 1951	1	Man washed overboard by large breaker.
June 5, 1951	1	Skiff capsized on bar.
July 19, 1951	1	Small skiff capsized just outside bar.
June 2, 1952	1	Crabboat broke down in surf.
July 3, 1952	3	Skiff capsized on bar.
Aug. 8, 1953	3	Skiff capsized in surf.
Feb. 28, 1954	1	Crewman washed overboard by breaker.
July 30, 1955	4	Pleasure craft capsized near south jetty.
1956	None	
Sept. 6, 1957	1	Fishing vessel capsized on bar.
Oct. 19, 1958	3	Fishing vessel wrecked on north jetty.

The above does not include all dates for which you requested information, however, it would seem to give some indication of the lives lost in the Umpqua River Bar area. It is believed that additional drownings occurred in 1951 and also during the 1949 to 1950 period.

At the present time, information regarding these drownings is being sought. Should further study reveal additional drownings, this information will be forwarded to your office.

I hope the above figures will be of assistance in your study.

Sincerely,

R. F. SHUNK,
Captain, U.S. Coast Guard; Chief, Search and Rescue Section.

EXHIBIT C

STATEMENT IN SUPPORT OF EMERGENCY MAINTENANCE OF JETTY SYSTEM AT UMPQUA RIVER AND HARBOR, OREG., TO CORPS OF ENGINEERS, U.S. ARMY, HOUSE AND SENATE APPROPRIATIONS COMMITTEES, CONGRESS OF THE UNITED STATES, BY TED W. RIGGLE, VICE PRESIDENT AND OWNER, WINCHESTER BAY FISH CO., WINCHESTER BAY, OREG.

APRIL 6, 1960

The Winchester Bay Fish Co. is an Oregon corporation operating a fish plant at Winchester Bay, Oreg., for the processing of fresh and frozen fish. This plant has been completely modern facilities for packing, freezing, storing, and handling of 30,000 to 40,000 pounds of crab; 40,000 to 50,000 pounds of salmon, and 40,000 to 60,000 pounds of bottom fish per day. We purchased the plant in 1955 and to date have a cash investment of $219,700.

During the past few years our business has declined to practically nothing because of the decline in the number of commercial fishing boats coming into the Umpqua River to market their catches of fish.

Since 1956 there has been a steady decline in the number of boats landing fish at our plant. In 1955 we had 282 boats fishing salmon for us—in 1959 we had about a half a dozen. The reason for this decline is because boats cannot get to and from the ocean safely and without delay.

If the sunken south jetty is not repaired to allow fish boats to use the harbor again, our investment in the fish plant will be a total loss.

In 1957 we sold fish to the U.S. Army, but Government fish inspectors were removed from our plant that year when we could not get enough fish to meet the volume required for the Army. This deficiency was due entirely to the condition of the harbor entrance.

We have been offered an order for 2 million 1-pound packages to be filled during 1960 which we cannot accept because fish boats will not use the Umpqua River Harbor entrance.

We have an offer of capital to match our cash investment in the plant to provide for a sizable expansion of our business, provided we can get fish to process. We have had no production to date in 1960, and this is during a period when the fish processing business is on the upswing.

In addition, our plant is the closest fish processing plant to the best crab and bottom fishing grounds along the California, Oregon, and Washington coast. Also the last uncharted bottom fishing grounds in the Pacific Ocean along the Oregon coast are in the same area, off the entrance to the Umpqua River.

The community's loss of payrolls from our plant alone can be seen in the following—which is from our payroll records:

In 1955 our peak number of employees was 147.
In 1956 our peak number of employees was 122, down 25.
In 1957 our peak number of employees was 115, down 7.
In 1958 our peak number of employees was 69, down 44.
In 1959 our peak number of employees was 34, down 35.
In 1960 to date number of employees is 3, down 32.

This decline in number of plant employees is a direct result of the sunken south jetty and the rough water between the jetties which causes the hazards to fishermen and keeps them from coming into Winchester Bay.

The only thing required to restore our business and payrolls to and beyond our previous volume is to have the Umpqua River jetties repaired to where they will provide the safety necessary for small boats to use the harbor entrance. We strongly support the Umpqua Port Commission's request to the Federal Government for the emergency appropriation of funds to restore the south jetty.

WINCHESTER BAY FISH CO.,
TED W. RIGGLE, *Vice President and Owner.*

On April 6, 1960, appeared before me the above Ted W. Riggle who is known to me and who signed the above instrument in my presence, of his own free will and action.

R. IRVINE WRIGHT,
Notary Public for Oregon.

My commission expires July 20, 1963.

EXHIBIT D

NORTH BEND, OREG., *January 27, 1960.*

DEAR MR. MURRAY: In response to your request for information as regards the reasons for my terminating fishing operations, in and out the port of Umpqua, they are as follows.

Since dragboat operations are year around rather than seasonal, as are various other fishing enterprises, and provide a livelihood for three men (skipper and two crewmen) it became essential for me to find a river entrance that permitted the maximum safety for the men and did not jeopardize the vessel. One that facilitated the greatest number of crossings per year, in order to profitably justify my investment in the dragboat *Madeline J.*

Therefore, in spite of having fished in and out of the Umpqua for 8 years and having recognized its ideal location and suitability for my particular type of fishing operation, I felt it advisable to seek another moorage and market. The steady deterioration of the jetties and the consequent increased danger were the

determining factors in my decision to change ports, though it did mean transferring two teenage youngsters to other schools and necessiated the purchase of a home in a new locality and moving my entire family to new quarters.

There are other dragboats that would have terminated their Umpqua operations, too, had they been at liberty to do so. However, obligations and past commitments have, thus far, not permitted them to do so, but unless something is done to improve the river entrance, they too, will be leaving that port at the earliest possible date.

No one finds it appealing to play a game comparable to Russian roulette with each crossing, but more than anything it made it almost impossible to keep a crew, since though one man may be willing to risk his neck, it is rare to find three who are willing to challenge the impossible odds the Umpqua offers.

It became a question of either starving to death or drowning.

As evidence of the increased profits derived from regular fishing under improved conditions, the following is a comparison of my gross income for the years 1958 and 1959:

January 1, 1958, through December 31, 1958, $22,660,31.

January 1, 1959, through December 31, 1959, $40,464.93.

As you can readily see there is a difference of $17,804.62. Not exactly a fortune to some, perhaps, but certainly a tidy sum for the average fisherman.

I trust and sincerely hope that the enclosed information and figures will be of some value to you.

Yours very truly,

HENRY C. KNUTSON.

STATEMENT OF DON KROGEL, ROSENBURG, OREG.

Commercial fisherman for 6 years.
Name of boat: Hustler. Type: Troller.
Boat now moored at: Winchester Bay.
I now fish out of Coos Bay.
I have used the Umpqua River entrance for 5 years.

I stopped using the Umpqua River entrance because it is rough and unsafe so much of the time I can't get out enough days to fish and when I do get out I never know if I'm going to get back in. The bar breaks almost constantly on the ebb tide even in the channel and is impassable much of the time during the flood tide.

I have already stopped using the Umpqua harbor due to the jetty and bar conditions. The facilities in the harbor are as good or better than any on the coast, but they are no good to anyone if you can't get across the bar to use them. I will not use the Umpqua entrance until the jetties and channel is improved to make it a safe harbor. In its present condition it is the worst and most dangerous bar on the Pacific coast, but it could be improved to one of the best.

STATEMENT OF HENRY KREITZBERG, BOX 438, CHARLESTON, OREG.

Commercial fisherman for 4 years.
Name of boats: Lorna and Judy K. Type: Troll.
Boat now moored at: Charleston, Oreg.
I now fish out of Coos Bay.
I have used the Umpqua River entrance for 3 years.

I stopped using the Umpqua River entrance because I've had some very narrow escapes on that bar. It is unpredictable and dangerous. Also it is closed so many times you can't get in or out. Just a small swell makes it impassable and dangerous.

I have discontinued using the Umpqua River entrance because of the danger and the time lost to commercial fishing. Also the last 2 years there have been no fish buyers. Because of bar conditions the boats will not come in.

STATEMENT OF IVAN C. MOORE, WINCHESTER BAY, OREG.

Commercial fisherman for 4 years.
Name of boat: *Patricia T.* Type: Troll.
Boat now moored at: Winchester Bay, Oreg.

I now fish out of Coos Bay, Newport, and Depoe Bay.

I have used the Umpqua River entrance for 3 years.

I stopped using the Umpqua River entrance because of the deterioration of the training and south jetties. The entrance has become so shoaled in it is too dangerous to life and property too much of the time. I cannot afford to lose the time tied to the dock, when I can be fishing out of other ports. I do come in here if I am in this area and the bar happens to be good (which is not often) for the moorage and harbor facilities inside are very good. I also winter my boat here.

EXHIBIT E

STATEMENT IN SUPPORT OF EMERGENCY MAINTENANCE OF JETTY SYSTEM AT UMPQUA RIVER AND HARBOR, OREG., TO SUBCOMMITTEE ON FLOOD CONTROL, RIVERS, AND HARBORS BY E. WHITNEY OLSON, PRESIDENT, OLIVER J. OLSON & CO., SAN MATEO, CALIF., MARCH 9, 1960

Oliver J. Olson & Co. is a certificated common carrier of lumber and lumber products in the Pacific coastwise steamship trade, incorporated in 1923, although entries in the first set of books maintained b ythe family steamship interests date back to 1891.

The following equipment is operated in the coastwise trade by the Oliver J. Olson & Co.:

Vessel	Size, length	Breadth	Depth	Draft	Dead-weight tons	Lumber capacity (thousand board feet)
	ft. *in.*	*ft.* *in.*	*ft.* *in.*	*ft.* *in.*		
SS *Cynthia Olson*	307 8½	48 6	23 4	19 10½	4,400	3,000
SS *George Olson*	321 6	49 10	24 9	20 4¾	5,100	3,200
Barge *Pacific No. 2*	272	68	17	14	6,000	4,600
Barge *Mary Olson*	320	46	26	22 2¾	6,000	4,500
Barge *Florence*	272	68	23 3	17 102	8,000	6,000
Barge *Forest*	272	68	23 3	17 102	8,000	6,000

The latter two barges were built to our specifications in 1959 at a cost of $1,800,000. At the same time, Olson Towboat Co. purchased three tugboats to service this added equipment. Annually, the cargo carried will amount to between 250 million and 300 million feet of lumber; 10,000 tons of plywood; 100,000 tons of bulk salt and 60,000 tons of bulk fuel oil. It has been our desire to pack general cargo, but the jurisdiction of domestic water transportation is controlled by the Interstate Commerce Commission who has consistently rejected all applications made by us. If rights were granted, general cargo would be carried into the Umpqua as well as any other small ports on the Pacific coast. It has been many years since these smaller ports have had any general cargo service. However, we now have pending a temporary application to carry paper out of Longview; and when a paper manufacturing plant is completed in Gardiner, we will ask similar authority, but it will be impossible to carry full cargoes until needed improvements in the south jetty are completed.

All of our vessels are equipped with radar, but radar is of no use at this port with the sunken south jetty as it now exists. When fog is present, vessels are bar bound both inside and out. Also, the south jetty causes wave conditions that require a continual vigilance when arriving and sailing.

In 1950, one of our vessels struck bottom on the bar and was repaired at a cost of over $150,000. In 1957, we had another vessel strike the bar. This accident cost us $57,000 which is equal to $10 per thousand on all lumber carried out of that port in that year. Last year, we made 22 crossings into the Umpqua, and 1 accident could have made operations into this port unprofitable.

If we are to maintain service to the Umpqua River, the jetty must be repaired inasmuch as lumber rates are now lower than they were in 1946, and the Interstate Commerce Commission has granted competing land carriers sizable reductions so that every hour means a difference between a profitable and a losing venture. A poor harbor causing a vessel to be tied up for 24 hours adds 1 to 2 dollars per thousand cost to the lumber taken out of that port.

The lumber carried out of the Umpqua in 1959 amounted to 27,500,000, approximately 10 percent of the total cargo lumber carried by Oliver J. Olson & Co.'s vessels operating in the trade. Other years are as follows:

	Board feet		*Board feet*
1954	25,600,000	1957	5,900,000
1955	15,000,000	1958	8,900,000
1956	8,000,000	1959	27,500,000

In previous years before the damage to the jetty, we were able to take full cargoes out of the Umpqua with direct service to southern California. Now, however, it is necessary to only take about two-thirds of the vessel's capacity and stop at some other port to top off the cargo which adds considerably to the vessel's operating expense.

EXHIBIT F

STATEMENT IN SUPPORT OF EMERGENCY MAINTENANCE OF JETTY SYSTEM AT UMPQUA RIVER AND HARBOR, OREG., TO CORPS OF ENGINEERS, U.S. ARMY, HOUSE AND SENATE APPROPRIATIONS COMMITTEES, CONGRESS OF THE UNITED STATES, BY H. H. BRANNIAN, GENERAL MANAGER

The Reedsport Mill Co. operates a sawmill in Reedsport, Oreg., which produces approximately 100,000 board feet of green lumber per day. This mill was reopened in August 1958, after a 2-year shutdown, as a civic venture by local businessmen to provide payrolls for the community which was hard hit by the general depression in the lumber producing regions of Oregon during 1956–58.

We shipped a total of 23½ million board feet of lumber via water carrier from our facilities in 1959. This amount moved in the coastwise trade to southern California and includes the footage of affiliated mills for which we handle lumber.

It is our estimate that we realize a savings in transportation cost of approximately $3.50 per each thousand board feet in shipping to southern California via water carrier against via rail. Without this benefit in transportation costs, we could not compete in the California market. This means that without the availability of coastwise water-carrier service on which to move the bulk of our production we couldn't remain in the lumber milling business.

In addition to the volume shipped to California in 1959 direct via water carrier, we also trucked approximately 4 million feet from Reedsport to Coos Bay for shipment in the intercoastal and export trade routes. The oceangoing vessels in these routes cannot serve Reedsport direct because of inadequate bar and channel depths.

Our cost for moving export lumber to vessels at Coos Bay is $6 per thousand feet. This could be reduced by approximately $4.20 per thousand if these oceangoing vessels could load on the Umpqua River.

Unless there is any general depression, the yearly totals of our future lumber shipments via water carrier will be equal to, or greater than, in the past.

The reopening of our mill in 1958 brought sizable relief to the depressed economic conditions in Reedsport. To keep this mill running we must have economical water transportation service available to us.

We urge the earliest possible correction of the Umpqua River jetties to guarantee the continuance of our needed water carrier service.

EXHIBIT G

STATEMENT IN SUPPORT OF EMERGENCY MAINTENANCE OF JETTY SYSTEM AT UMPQUA RIVER AND HARBOR, OREG., TO CORPS OF ENGINEERS, U.S. ARMY, HOUSE AND SENATE APPROPRIATIONS COMMITTEES, CONGRESS OF THE UNITED STATES, BY CHARLES W. FOX, PRESIDENT, CASCADES PLYWOOD CORP., PORTLAND, OREG., APRIL 8, 1960

Cascades Plywood Corp. has a plywood plant, a hardboard plant, and a custom manufacturing plant at Lebanon, Oreg. We also have manufacturing facilities in Polson, Mont., and Los Angeles. In November of 1957, we purchased 300 million feet of timber in the vicinity of Reedsport, Oreg., and a veneer plant was

constructed in 1958. This year, a sawmill of modern design has been added to our operations there, bringing our investment in Douglas County, Oreg., to a total of $6,633,000 in timber and plants giving employment to 167 and resulting in an annual payroll in that community of $700,000.

Our new sawmill has an anticipated capacity of 20 million board feet of lumber annually. It is the desire and intent of Cascades to ship all of this production via water carriers. To this end, Cascades is now in the process of reactivating a cargo dock acquired in the purchase of the E. K. Wood Lumber Co. holdings. The dock was abandoned in late 1957. It is anticipated that the first cargo will be lifted from the reactivated dock in late May of this year.

Presently, we are limited to the coastwise (California) movement of our lumber, using barges and small ships.

Due to the nature of the timber tributary to the lower Umpqua area, rail shipment of green lumber is not generally feasible. The excessive weights of the green lumber produced, account for additional freight charges over those accepted as industry averages.

Coastal and export shipments of lumber at this time can only be made from Reedsport by moving the lumber to other ports, either by rail or truck. The minimum additional cost to shippers is $6 per thousand, of which $3 is for trucking and $3 for wharfage (Coos Bay).

We believe that immediate and emergency maintenance is in order on the existing jetty system at the mouth of the Umpqua River. This will help sustain the economy of the area and assure the continuance of at least coastwise shipments of lumber and other products from this port. We believe, further, that in addition to the maintenance already mentioned that there should be a realinement of the jetty system.

Cascades Plywood Corp. has since its founding been among the leaders in the forest products industry who are dedicated to the conservation of natural resources. Cascades has also been a leader in the planned total utilization of harvested products. Through the protection of seed blocks, hand planting and aerial seeding, Cascades is diligently pursuing a program of reforestation.

The lower Umpqua area gained State and National recognition for its fostering in 1946 of an annual tree planting day for the school children of the immediate and surrounding areas. Local lumber and plywood manufacturers helped foster and finance this project. As a result of this program there has been over 300,000 seedlings planted in the past 15 years. These seedlings were planted predominantly on publicly owned lands. Cascades has been an active participant in this project by the contribution of finances and personnel.

The economy of the lower Umpqua area has been historically, and still is, dependent on the utilization of natural resources. Residents and the industries in the area have long recognized the benefits to be derived from restoring and perpetuating the resources upon which they are dependent, and are working continuously toward that goal. It is apparent that a planned maintenance and improvement of the available water resources is necessary to round out a conservation program.

In light of the situation, as herein stated, and as it is being presented by other interested parties, we endorse the request that early favorable action be taken by your committee. We hope that action will recommend the appropriation of emergency funds for the immediate maintenance and restoration of the harbor.

EXHIBIT H

STATEMENT BY INTERNATIONAL PAPER CO. SUPPORTING THE PETITION OF UMPQUA PORT COMMISSION FOR IMPROVEMENT OF PORT FACILITIES AND HARBOR ENTRANCE JETTIES

International Paper Co. presently operates sawmill and plywood plant at Gardiner, Oreg. This plant is being substantially enlarged in February 1960. During the month of February it will begin operating a new sheathing plant. When this plant comes into operation the combined sheathing and plywood daily capacity will be 350,000 square feet, ⅜-inch thick, and the sawmill will have a daily capacity for one-shift operation of 135,000 board feet.

The new sheathing plant is the first step in an overall program of expansion and modernization of the sawmill and plywood operations at Gardiner. From the plywood plant alone upon completion of this first step at least one-third of

the 350,000 square feet daily capacity could be shipped coastwise and would consequently be benefited directly from the improvements to the port facilities and harbor entrance jetties.

In additon to the first step above described in the expansion and modernization program the sawmill at Gardiner is to be rebuilt. In connection with this rebuilding proper equipment for modern debarking and chipping will be installed. It will have a capacity for producing annually approximately 50,000 units of chips which can in turn be barged from the sawmill to coastal pulpmills.

The estimated cost of the above planned sawmill reconstruction is over $3 million. When the rebuilding of the sawmill has been completed its daily capacity will be more than doubled and it will have a daily capacity of approximately 300,000 board feet. Its 1959 shipments of coastwise lumber tonnage of 6,340,000 board feet per annum could be increased to 15 million board feet per annum provided regular shipping schedules for such coastwise movements are provided. This can only be done so long as proper harbor maintenance and jetty repairs are carried on to permit the ships to operate on such regular schedules.

During 1959, 3,833,000 board feet of lumber was shipped from the Gardiner sawmill for export by the use of trucks from Gardiner to Coos Bay, Oreg. If the harbor and port facilities can be improved so as to permit the Gardiner sawmill to use the same for direct export shipments this lumber now being exported indirectly via Coos Bay can be increased several times. Our present estimate is that this should be as much as 15 million board feet per year.

The substantial estimated increases in coastwise and export shipments above indicated are based in part upon the planned shutdown later this year of the International Paper Co., Longview, Wash., sawmill. It would be of great benefit to International Paper Co. if it were possible to complete the improvements to port facilities and harbor entrance jetties requested in the petition at or before the time when the planned changes and expansion of International Paper Co. at Gardiner are completed.

International Paper Co. intends to make full use of such benefits as are made available to it from the improvements to the port facilities and harbor jetties.

In making this statement International Paper Co. has dealt only with its present sawmill and plywood plant at Gardiner and with planned expansions thereof. It has previously been announced by International Paper Co. that extensive studies have been made as to its possible construction of a pulp and paper mill at this location, and steps have been taken to secure from the State of Oregon rights to use water from Siltcoos and Tahkenitch Lakes, as well as from the Umpqua River. Applications for these rights are presently pending. Hearings have been scheduled by the State engineer upon these applications for March 2, 1960.

EXHIBIT I

UMPQUA RIVER NAVIGATION CO.,
Reedsport, Oreg., April 5, 1960.

CORPS OF ENGINEERS, U.S. ARMY,
Care of House and Senate Appropriations Committees,
U.S. Congress.

GENTLEMEN: As one of the principal taxpayers of the port of Umpqua district we urge immediate emergency maintenance of the south jetty at the harbor entrance of the Umpqua River, in Oregon.

We are an Oregon corporation, with our principal business sand and gravel, general contracting, and river and ocean transportation. For the past 30 years we have operated gravel plants on the Umpqua River. During that period we have removed approximately 5½ million tons of sand and gravel from the bed of the river. These gravel products have been used to build the Oregon coast highway bridges at Siuslaw, Umpqua, and Coos Bay together with the connecting road systems both north and south.

The delivery of these products to market has been by railroad transportation, which involves considerable rehandling. These costs have now increased to such an extent that our product is no longer competitive in the markets that we have enjoyed.

In 1958 and 1959 we moved slightly less than 100,000 tons of gravel to markets in Coos Bay and Bandon using two 800-ton seagoing barges. As a result of this experiment we have now determined that we can be competitive in these

markets and other markets along the Oregon coast with proper seagoing barges.

We now have under construction in Portland, Oreg., three 2,500-ton steel gravel barges, which are scheduled for delivery April 15, May 15, and June 15 of 1960. The controlling depth of the Umpqua River in the vicinity of the gravel bars is 11 feet. Our barges are so designed to carry a payload on that draft, which will allow us to serve the tital waters of Yaquina, Siuslaw, Coos Bay, and Coquille rivers.

We have current contracts for delivery of Umpqua gravel on these barges at Toledo on the Yaquina, north fork on the Siuslaw, and Coos Bay. We anticipate that we will move 200,000 tons of gravel out over the Umpqua Bar in the calendar year 1960. This volume will increase to 350,000 tons in 1961, which we consider a conservative estimate for future years. To meet the demand on contracts that we are committed to in 1960 we will move 20 bargeloads per month in the months of May, June, July, and August or 80 bargeloads of 2,500 tons each.

Naturally we are first concerned with the Umpqua Harbor entrance where the subsidence of the south jetty has caused a very dangerous condition to all types of craft both large and small. The deterioration of the south jetty allows the ocean surge to come into the bay creating cross currents which, of course, makes navigation hazardous except under ideal weather conditions.

We agree with our division engineer, "that the restoration of the south jetty will eliminate the present hazard of the submerged south jetty to small-craft navigation and would moderate existing wave action between the jetties."

Four generations of my family have been using the Umpqua Harbor in varying amounts. We have all contributed as taxpayers, but principally by providing payrolls to this lower Umpqua area. Our total payroll in the last 5 years is in excess of $2,125,000, or an annual average of $425,000.

Our $425,000 annual payroll is dependent upon the harbor entrance at Umpqua. All we ask is for adequate ordinary maintenance in the form of rehabilitating the sunken south jetty. The taxpayers with the Federal Government have in excess of $7 million invested in this harbor entrance. This investment cannot pay dividends unless it is protected.

The tonnages that we offer and guarantee with our capital investment in barges and plants, together with the tonnages assured by the lumber producers is all in addition to tonnages that we have had in the past. We think that these facts should place Umpqua No. 1 on your project calendar.

Yours very truly,

O. H. HINSDALE, *President.*

Mr. CANNON. I must again call attention to the fact that the Corps of Engineers are ready at any time to undertake more work if the Congress will just provide the money. At the same time they testified before us recently they cannot do all the work for which money has been appropriated. I simply want to call attention to the discrepancy in the statement of the Corps of Engineers to this committee and to the sponsors of the various projects all over the country.

Now with regard to the Umpqua River and Harbor, what is the reason for this remarkable change? What is the cause of the jetty sinking?

Mr. MURRAY. The jetty is in the wrong place basically.

Mr. CANNON. What has really happened?

Mr. MURRAY. Actually the south jetty was placed across the natural flow of the channel. The ebb, or the outgoing currents, of the river would strike the jetty and cause the deterioration. As a consequence, it sunk down below the water level for most of the tide which allows the ocean swells and waves and wind to come into the channel causing rough water conditions in the channel, and also bringing sand into the channel which brings about the need to dredge each year. The rough water condition has gotten so bad that practically all of the fishermen have moved away from the area.

Mr. CANNON. When were these jettys installed?

Mr. MURRAY. The one we speak of was put in in 1917 and it was reconstructed after that.

Mr. CANNON. That was the first structure of its kind.

Mr. MURRAY. They placed the north jetty at the entrance and the south jetty is the problem.

Mr. CANNON. Thank you very much. We appreciate having your suggestions.

WEDNESDAY, APRIL 13, 1960.

ALASKA PROJECTS

WITNESS

HON. ERNEST GRUENING, A U.S. SENATOR FROM THE STATE OF ALASKA

Mr. CANNON. We will now hear from Senator Gruening, of Alaska. The committee is honored by having you with us this afternoon. We will be glad to have any suggestions from you on this program.

Senator GRUENING. Mr. Chairman, first, I wish to thank this subcommittee for giving me an opportunity to testify today in behalf of an appropriation for the State of Alaska which represents an unmatched opportunity for the United States to invest in the future.

Every one of the Alaska projects for which the Corps of Engineers is requesting funds is of importance to my State. In those cases in which the administration has failed to request the amount of funds which are needed for the corps to accomplish its full objectives, I urge this committee to appropriate the funds which the corps states it can use in the 1961 fiscal year, and thus permit the speedy completion of these necessary projects. I shall refer at greater length to the tabulation attached to my statement, which I request be placed in the record, and which compares the funds requested by the administration for Alaska public works projects with the amounts which the Corps of Engineers estimates it can use efficiently in the coming year.

RAMPART CANYON INVESTIGATION

Of all the projects for which the Corps of Engineers can use additional funds for the next fiscal year there is one of unequaled merit, and one which is of international significance.

I refer, of course, to the Rampart Canyon Dam investigation on the Yukon River.

This is, for Alaska, and for the world, "The Big One."

This is the way in which the Rampart Canyon Dam was recently described by Harold L. Moats, Chief of the Civil Works Planning Branch of the Corps of Engineers when he spoke of Rampart Canyon Dam as a "truly fabulous" dream:

> The Rampart Canyon site on the main stem of the Yukon River can be developed to produce about 3,700,000 kilowatts of prime power. The installed capacity would be 4,760,000 kilowatts. A concrete gravity dam 1,300 feet long at present water level, 2,700 feet long at the crest and 500 feet high will develop

a usable head of about 440 feet. The regulated flow would be about 118,000 cubic feet per second.

At Rampart Canyon, the dam, with only about three-fourths of the volume of the dam at Grand Coulee, will impound enough water to warrant an installed capacity of 4,760,000 kilowatts; about 2½ times the present installed capacity at Grand Coulee.

The significance of the availability to American industry of this enormous amount of low-cost power is apparent. The needs of the United States for power are ever increasing. This need can be met by the development of the Rampart Canyon Dam as at no other location in this country. This is the greatest undeveloped source of hydroelectric power in the Nation.

Located as it is, in the midst of the vast untapped resources of Alaska, the potential of power development at the Rampart site provides a thrilling opportunity for expansion of industry. It represents a powerful resource for the United States for defense industries as well as for the peacetime needs of our growing population.

At the outset of my remarks I commented that Rampart Dam is a project of international, as well as of domestic significance.

It has always seemed curious to me that the United States, with all its genius for industrial organization and development, has never made the progress in the development of resources of its Arctic regions that has been characteristic of other nations not nearly so rich in resources as this country.

For example, Norway is a country which has placed primary importance on the development of hydroelectric power in its northern regions, and with the production of low-cost power, has made possible the development of wealth-producing industry at locations far above the Arctic Circle. The Norwegians learned long ago that the exploitation of valuable hydroelectric power resources constitutes an investment which pays an exceptionally high dividend.

Russia is another country which has clearly recognized the importance of developing hydroelectric power resources in Arctic areas as a means of increasing its production of commodities needed for both war and peace. Last fall, together with Senator Moss, of Utah, and Senator Muskie, of Maine, I traveled throughout a large portion of the Soviet Union for the purpose of inspecting Russian development of hydroelectric power. It is of great importance to the United States to be aware of the activities of the Soviet Union in this field.

The Russians have made clear their intention of surpassing the United States in the development of their economy and in the production of commodities.

Nowhere is this intent more dramatically apparent than in the development of Russian hydroelectric power. It was our conclusion, as a result of a review of Russian power development that, although the United States is still in the lead in this important field, the Russians will surely overtake us within a period of time which can be easily calculated unless this country makes the necessary effort to utilize fully its own resources.

I visited the Russian equivalents of Rampart Canyon Dam, two of which are now well on the way to completion, and both of which are located in the underpopulated regions close to the Arctic Circle. One of these, the Krasnoyarsk project on the Yenisey River will have a total installed capacity of some 5 million kilowatts. The Bratsk

Dam, on the Angara River in Siberia, will have an installed capacity of 4,500,000 kilowatts—about the same as that planned for the Rampart Canyon project.

While we were in Russia we were able to learn a little of the plans of the Communist Government of Red China for the development of hydroelectric power. There, we were informed, the Chinese Reds are busily engaged in the construction of hundreds of hydroelectric power projects which will, by 1970, develop some 70 million kilowatts of power.

I need not emphasize the significance to the United States of the tremendous efforts of the Communist nations toward development of power resources.

We cannot allow the United States to fall behind in this important area of industrial development.

Here in the United States, in Alaska, we have the greatest of all opportunities to take advantage of a site for power development unmatched elsewhere on the continent. It is essential that the importance of this be recognized and that the Federal Government speed its activity in constructing the dam on Rampart Canyon.

As you will see, from the tabulation attached to these remarks, the President has requested $100,000 for the coming fiscal year for the Rampart Canyon investigation. The Corps of Engineers has informed me that this amount does not begin to approach the funds which it could efficiently use in expediting this important study. The Corps of Engineers could use $350,000 for this investigation in the coming year. In this connection, I wish to request that there be included in the record of this hearing a letter concerning the amount of money needed for Rampart which I have received from the Chief of Engineers and which will, I believe, further explain the need for the additional funds.

That this is a project which is greatly needed in Alaska for the development of the State is apparent. In support of this, I present, with a request that it be included in the record, a memorial passed by the Alaska State Legislature on February 11, 1960, which also urges appropriation of the $350,000 which could be used by the Corps of Engineers during the 1961 fiscal year.

I have devoted the greater part of my statement to the importance of adequate appropriations for the Rampart Canyon project because I believe it is of the greatest possible importance not only to the State of Alaska but to the entire United States.

I certainly do not wish, however, to detract from the comparable importance of adequate appropriations for the other projects for which funds are needed.

With respect to the navigation projects now under construction and under investigation, I would call the attention of the committee to the fact that Alaska is dependent, to a greater extent than other States, on water transportation. As I have pointed out before, the State of Alaska has no highway system of any importance. As a result of years of neglect by the Federal Government during the territorial days, adequate highways were never constructed in Alaska.

Alaska enters the Union in the unique position that not merely some, but a majority, of its communities are unconnected with any other, either by highway or railway. Such a situation is unimaginable

in the 48 States. Therefore, the development of air transportation in Alaska has been of utmost importance to the territory, and now to the State. But for many citizens, and for many purposes, air transportation is no answer to the need for moving freight and people from one location to another. Consequently, Alaskans have always depended heavily on water transportation.

The need for construction and improvement of boat harbors, and inland waterways is imperative. I urge the appropriation of the full amounts for these purposes which the Corps of Engineers can use during the 1961 fiscal year.

In conclusion, I feel it my duty once again to bring the attention of this committee to the disparity between the requests of the present administration for funds for use abroad and its requests for money for similar domestic projects.

Having stressed the importance of the Rampart Canyon project to the United States, I think it pertinent to contrast the decision of the present administration to contribute vast sums of money, reported to be in the neighborhood of half a billion dollars, to a project for division of the waters of the Indus River between India and Pakistan which was engineered by the International Bank for Reconstruction and Development, with its failure to request funds needed for the Yukon. The Indus River project will be of undoubted benefit to the Indians and the Pakistanis. I only wish the administration could use equal imagination in the dispensation of its largesse and discern the benefits which would accrue to our own economic development by the expenditure of the $350,000 which the Corps of Engineers could use in 1961 to speed its development of the Rampart hydroelectric power project.

From April 1948 until June 30, 1959, the International Cooperation Administration and its predecessor agencies had spent abroad, for projects similar to those for which this appropriation is made, a total of $633,100,000 and the ICA will have spent another $124,900,000 on like programs during the 1959 fiscal year. If we can afford to do that we can afford the funds needed for worthy navigation, flood control, and hydroelectric power projects in the United States.

If, during 1959, we could afford to spend $2,315,000 on the development of a power transmission distribution system for the island of Taiwan, can we not spare $350,000—less than 7 percent of the American dollars spent on this one project in Taiwan—to expedite the construction of Rampart Dam in the 1961 fiscal year?

If, during the 1959 fiscal year, we could spend $1,134,000 on an irrigation project in Afghanistan, we certainly can afford to spend about a fourth as much, $300,000, on a flood control project for the Chena River at Fairbanks, Alaska, in 1961.

If this Nation could afford to spend $2,572,000 on water resource, irrigation, and power development in Lebanon during a 10-year period, surely this Nation can afford to spend less than 40 percent as much, $972,000, on the flood control project badly needed on the Skagway River in Alaska.

The Douglas Boat Basin in Alaska is certainly worth an expenditure of $364,000 American dollars if we could afford to spend over 10 times more American dollars, $3,800,000, on the rehabilitation of the Chong Pyong Dam in 1959 in Korea.

The Homer Boat Basin in Alaska surely should be worth an investment of $542,000 if we could afford to spend the more than twice as much in American dollars, $1,270,000, which we are currently spending on public works projects in Ethiopia.

There should be no question that the benefits to the United States of an expenditure of $1,958,000 on the improvement of the boat basin at Juneau—Alaska's capital city—would be at least as great as the $7,759,000 in American dollars we have spent through fiscal year 1959 on public works projects in Libya.

The $229,000 which the Corps of Engineers can use for construction of a small-boat basin and improvement of the harbor at Ninilchik, Alaska, is surely worth as much to the United States as the expenditure of almost five times more, $1 million, spent by the United States in fiscal year 1959 on the exploration of the Tachien Reservoir in Taiwan.

Is not the need of Seldovia, Alaska—an important harbor on Cook Inlet, Alaska—for the construction of a small-boat basin at a cost in fiscal year 1961 of $548,000 as important as the expenditure of $2,351,000 was in fiscal year 1959 for various public works projects in Libya?

Another important navigation project for Alaska is that for the improvement of the channel at Wrangell Narrows in southeastern Alaska, which, in 1961, would cost the Engineers $763,000. I believe this means as much to the improvement of our position in the world as a loan to Pakistan from the Development Loan Fund of $15,200,000 for ground water development.

The Engineers need $20,000 in the coming fiscal year for dredging the Gastineau Channel in Alaska. The administration has requested nothing for this, but will have spent, at the end of the 1959 fiscal year, $60,000, three times as much, for irrigation and drainage projects in Vietnam.

The $40,000 which the administration has requested, and which the Engineers can use for further study of rivers and harbors on the Yukon and Kuskokwim Rivers and on Cook Inlet is as badly needed in Alaska as the $105,000 which will have been spent during the 1959 fiscal year on the Volta River survey project in Ghana.

At Hydaburg, Alaska, the Engineers can use, in 1961, $14,000 for navigation studies. This money would be as well spent as the $36,000—more than double the amount needed at Hydaburg—which was given to Ceylon during the 1959 fiscal year for hydroelectric power surveys and training.

Knudson Cove, Alaska, is located in one of the most important commercial and sport fishing centers of Alaska. Further navigation studies here, which will result in improved transportation and thus give impetus to local commercial development, would cost the Corps of Engineers $15,000 in 1961. The administration has not requested a cent for this important study, but did find more than 50 times as many American dollars, $800,000, in fiscal year 1959 for a water resources study in Ethiopia.

For further navigation studies at one of Alaska's most important ports, Petersburg, the administration has only requested $7,000 of the $18,000 which the Corp of Engineers could use. Yet it had no trouble in finding more than seven times as many American dollars—$134,000—for soil and water conservation projects in India last year.

Another extremely important port in Alaska, located at Seward, would be greatly benefited by the expenditure of the $18,000 the Corps of Engineers states it could use for additional navigation studies there next year. The administration failed to see a need for the appropriation of any funds whatever for this. However, it was able, during the 1959 fiscal year, to spend $98,000—more than five times as much—for reclamation and irrigation development in Iran.

Valdez, Alaska, is the site of a port which serves surrounding settlements which are almost entirely dependent upon water transportation for any communication with the outside world. The Engineers need $18,000 to develop this important port. The administration requested exactly nothing, but it did manage to find, in 1959, $122,000 for expenditures on water resources development in Somalia.

Flood control investigations on the Knik River, at the city of Kodiak, at the city of Valdez, and two projects at Seward—Lowell Creek project and the Resurrection River and Clear Creek project—would cost the Federal Government a total of $115,000, of which the administration has requested only $30,000 for 1961. I cannot help but think that the flood protection which would be provided for the citizens of these areas of Alaska is of at least as much importance to the United States as public works projects in Turkey, on which the United States spent $446,000 in fiscal year 1959.

For every Alaska public works project for which money is requested, I can cite instances of expenditures abroad for the public works development in foreign countries which are comparable. It is my firm belief that the interests of the United States will be at least as well served in every way if our needs for boat basins, flood control projects, and hydroelectric power development are as adequately funded as are similar projects abroad.

I submit for the record a compilation prepared by the International Cooperation Administration of its grants for public works projects abroad during the period from 1958 through fiscal year 1959.

(This information will be found on p. —.)

I urge your favorable consideration of the needs of Alaska for every penny the Corps of Engineers can use during 1961.

HEADQUARTERS, DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., February 15, 1960.

Hon. ERNEST GRUENING,
U.S. Senate

DEAR SENATOR GRUENING: I have given careful consideration to your letter of February 1 regarding the possibility of accelerating the authorized study of the Rampart project.

There are several essential phases of this study which should be carried out as nearly as possible on a concurrent basis in order to expedite completion of an adequate report.

An economic and power market study will be required to appraise the adaptability of natural resources for development with availability of adequate low-cost power. This will necessitate consideration of the requirements of local, continental United States and foreign markets, and of probable growth in population and power-generation requirements. We will probably accomplish this phase of the study with the assistance of a highly qualified non-Federal research organization.

Investigation of the project structure itself must include geologic, hydrologic, structural, and economic analysis of a dam at the Rampart site, including the possibilities of construction to fit the rate of development of the power market

in Alaska. Location and weather conditions affect the timing and cost of necessary site and hydrologic investigations.

The study of the large reservoir that would be impounded by a dam at Rampart will involve determination of the area that will be flooded at various elevations of water surface and of the resulting storage of water. An important aspect of this phase of the study will be a careful consideration of the impact of impoundment upon the fish and wildlife resources of the area, and an evaluation of both detrimental and beneficial aspects. The Fish and Wildlife Service of the Department of the Interior is much interested in this phase of the study and we anticipate participation by that agency.

The figure of $350,000 given you previously as representing our expenditure capability for the Rampart study for fiscal year 1961 was based upon expediting the study with reasonable expectation of carrying on all phases of the investigation as rapidly as possible. I believe this represents the maximum extent to which the study could be accelerated.

I appreciate very much and am in full accord with your views on developing the hydroelectric power resources which are necessary to meet the needs of our country. I trust that the information furnished herein will be of assistance to you, and I wish to assure you of our strong interest in expeditious accomplishment of the Rampart study. If you should desire further information we will make every effort to supply it.

Sincerely yours,

E. C. ITSCHNER,
Lieutenant General, U.S. Army, Chief of Engineers.

HOUSE JOINT MEMORIAL NO. 38, BY MRS. FISCHER, IN THE LEGISLATURE OF THE STATE OF ALASKA, FIRST LEGISLATURE, SECOND SESSION

To the Honorable Dennis Chavez, Chairman, Senate Public Works Committee; the Honorable Charles A. Buckley, Chairman, House Public Works Committee: the Honorable Harry F. Byrd, Chairman, Senate Finance Committee; the Honorable Wilbur D. Mills, Chairman, House Ways and Means Committee; the Honorable Carl Hayden, Chairman, Senate Appropriations Committee; the Honorable Clarence Cannon, Chairman, House Appropriations Committee; the Honorable E. L. Bartlett and the Honorable Ernest Gruening, Senators from Alaska; and the Honorable Ralph J. Rivers, Representative from Alaska:

Your memorialist, the Legislature of the State of Alaska in first legislature, second session, assembled respectfully submits that:

Whereas it is manifest that the primary need of this State is economic development; and

Whereas this State is now undergoing a transition from an economy based on construction to one based on the exploitation of its natural resources; and

Whereas every means available for the economic development of this State must be utilized and exploited; and

Whereas it is common to the history of every country and every region within our own United States that economic development has inevitably and rapidly followed the creation of hydroelectric facilities and surplus electric power; and

Whereas one of the greatest potential hydroelectric sites in the world is located at Rampart, Alaska, on the Yukon River, and the development of power facilities at that place would greatly enhance the future economy of this State; and

Whereas the Corps of Engineers has estimated that it will cost $1,460,000 to conduct the preliminary study necessary before any construction may be undertaken at Rampart and that it could use $350,000 for the preliminary study in fiscal year 1961; and

Whereas the Federal budget presented by the President includes only $100,000 for this study—an amount which if appropriated each year would require 15 long years just to complete the preliminary study; and

Whereas time is money and to unnecessarily extend the time needed to complete the project is actually to waste, not save, money—both in the work on the project and in the eventual returns from the project: Now, therefore

Your memorialist urges, That the Congress increase the amount to be appropriated to the Corps of Engineers for the preliminary study for the proposed

Rampart Dam from $100,000 to the $350,000 which the Corps of Engineers needs to accomplish its work for this year and thereby speed the economic development of this State and prevent the waste of 15 important years.

Passed by the House February 8, 1960.

(S) WARREN A. TAYLOR,
Speaker of the House.

Attest:

(S) ESTHER REED,
Chief Clerk of the House.

Passed by the Senate February 11, 1960.

(S) WILLIAM E. BELTZ,
President of the Senate.

Attest:

(S) KATHERINE T. ALEXANDER,
Secretary of the Senate.

Certified true, full and correct.

(S) ESTHER REED,
Chief Clerk of the House.

Mr. CANNON. You are asking for 14 unbudgeted items. That is a rather ambitious program as State programs go. I am very anxious, and I am sure the committee is anxious to cooperate with you and do everything we can for Alaska, to bring Alaska closer to us and create a mutual situation of mutual advantage. Of course we realize under the circumstances that it is impossible for us to provide for all of these 14 unbudgeted items. Would you let us have a list of the unbudgeted projects in the order of their priority? Beginning with the one that you think most essential, and most urgent where we could invest money to the best advantage, and on down in order of their priority?

Senator GRUENING. I will be glad to indicate what seem to me the projects of most importance although I'd like to see all of them approved.

Mr. CANNON. If you will do that we will appreciate it. List them in the order of their priority.

Senator GGUENING. I will be glad to follow your wishes in the matter.

(The information referred to was later supplied to the committee.)

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. We are very happy to have had you with us this afternoon.

WEDNESDAY, APRIL 13, 1960.

POTOMAC RIVER SURVEY

WITNESS

HON. JOHN FOLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. CANNON. The gentleman from Maryland, Congressman Foley.

Mr. FOLEY. Thank you very much. Owing to the lateness of the hour I will not detain you too long.

I am privileged to appear before you today in support of the Corps of Engineers appropriation request for the continuation of

its survey of the Potomac River Basin during the 1961 fiscal year. As the committee knows, the corps began this survey in 1956. Pursuant to the special study resolution adopted January 26, 1956, by the Senate Committee on Public Works, the corps is reviewing its report on the Potomac River and its tributaries published as House Document 622, 79th Congress.

During the 1960 fiscal year, the corps has continued its survey by examining the Potomac River Basin's needs and its possibilities. In a graphic presentation entitled "Charting the Course of Potomac River Water Resource Development," the corps has indicated a possible ultimate plan for the basin. The request of the corps for the coming fiscal year is for funds to continue the survey in order to firm up and submit in detail the proposals to fulfill the needs within a framework of the various possibilities as they have become evident in the survey.

Again this year I would direct the committee's attention to the pressing water supply and pollution abatement problems of the Metropolitan Washington area. The dynamic population growth of this area has increased the need for expeditious consideration of the means for insuring a constant and pollution-free water supply.

I am not going to take any more of the time of this committee. I would like to ask that there be incorporated in the file of this committee the printed report of hearings conducted by the Joint Committee on Washington Metropolitan Problems. The hearings on Washington metropolitan area water problems were held in April of 1958. This printed report consists of 563 pages and in it is contained every technical study and proposal pertaining to the water supply and pollution problems of the Metropolitan Washington area that have been brought forth in recent years. I wanted to make certain that this printed report of 2 years ago was brought to the attention of the committee because here your staff can find every bit of technical data that is in existence, including the corps' own comprehensive description of the water survey for the area.

I would like to conclude by saying that the budgeted item this year is the beginning of the end of this study and I am very happy to report that to the subcommittee. I need not remind the chairman and members of this subcommittee of the water problem we live with daily in this particular area because I am sure you are all fully acquainted with it. I am also presenting for inclusion in the record a joint resolution adopted in February 1960 by the General Assembly of Maryland supporting the requested budgeted amount to continue the corp's survey of the Potomac River.

I want to thank you for the courtesy of appearing here today.

Mr. CANNON. Thank you.

(The matter referred to follows:)

JOINT RESOLUTION 1

Joint resolution urging continued appropriations by the Congress of the United States for completion of the survey of the Potomac River by the U.S. Army Corps of Engineers and calling for reappointment of the legislative council's special committee on the Potomac River.

Whereas in its fourth report to the legislative council, the special committee on the Potomac River noted that the survey review of the Potomac River, undertaken by the Corps of Engineers on the request of Congress in 1956, has received for the fiscal years 1958 through 1960 a total of $730,000 in appropria-

tions; and the district engineer of the corps for the Washington district has given his estimate that the survey would require total expenditures of about $1.5 million, and could be expected to be finished in 1961; and

Whereas it is self-evident at this time that the survey cannot be completed within the district engineers' estimate of 1961, and that considering the rate of appropriations in the past a minimum of at least 2 more fiscal years will be required to appropriate the remaining amount of $770,000, thus delaying completion of the survey until at least 1962; and

Whereas this committee has repeatedly stressed the urgency of swift completion of the survey of the river so that consideration may be given to the recommendations of the Corps of Engineers, which we emphasize, will require hearings by the corps, authorization by Congress for specific projects, followed by appropriations for the acquisition of land and for construction, a matter of another 5 years and more before any relief for the river can be expected; and

Whereas we urge our congressional representatives to seek modification of the Senate Public Works Committee resolution of July 6, 1959, limiting the Potomac River survey to flood control, municipal and industrial water supply, and pollution abatement plans in order to restore to the survey its original comprehensive concept of planning for flood control and for the development and conservation of the water and related resources of the basin; and

Whereas it would seem expedient for the appropriate officials of this State and of the other States in the Potomac River Basin to begin discussions tending to develop local participation in planning and funds for any projects resulting from the report of the Corps of Engineers: Now, therefore, be it

Resolved by the General Assembly of Maryland, That we urge the Maryland delegation in the Senate and House of Representatives of the Congress to support the budgetary requests of the Corps of Engineers for funds in the civil works appropriation bills for the Potomac River survey so that the survey is completed at the earliest feasible date, without any unnecessary restrictions as to use in order that a comprehensive plan of development of all the resources of the river is prepared; and be it further

Resolved, That we urge our sister States in the Potomac River Basin to seek the same cooperation from their congressional representatives, and we further urge the Governors of these States to investigate plans for the development of local participation in Potomac River projects; and be it further

Resolved, That the legislative council is urged to reappoint the special committee on the Potomac River so that it may continue its work; and be it further

Resolved, That copies of this resolution be sent to Senators Beall and Butler, and to Representatives Brewster, Fallon, Foley, Friedel, Garmatz, Johnson, and Lankford.

WEDNESDAY, APRIL 13, 1960.

KINZUA PROJECT, PENNSYLVANIA AND NEW YORK

WITNESS

HON. CHARLES E. GOODELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. CANNON. We will now hear from Congressman Goodell of New York.

Mr. GOODELL. Mr. Chairman, may I first express to you my gratitude, not only for hearing me today, but for the patient and constructive consideration which this subcommittee has given the Allegheny flood control project over the years, and particularly since my coming to Congress last June.

Let me make it clear at the outset that I am not here either as an advocate or opponent of the Conewango alternate project. I am here, however, in strenuous opposition to the expenditure of any more money on the so-called Kinzua project until a number of crucial

points are resolved. When expert engineers are at such variance in their opinions as Dr. Arthur E. Morgan and the Corps of Engineers are in this case, it seems to me that we who are not engineers can well demand an impartial arbitration of the differences.

Dr. Morgan has stated that the Conewango plan would cost $105 million as compared to a previous estimate of $113 million for the Kinzua project, which has now been increased to $119 million. The Army Engineers claim that Dr. Morgan's plan will cost not $105 million but $200 million. Dr. Morgan in turn claims that the Army Engineers' plan will ultimately cost closer to $150 million than $113 million.

Now, Dr. Arthur E. Morgan is a former Chief of Engineers with the TVA, and his professional reputation, as far as I know, is unblemished in every respect. Dr. Morgan has submitted several reports which, to put it mildly, cast considerable doubt on the advisability of the Federal Government proceeding further with the Kinzua Dam project.

In addition to the cost factors, Dr. Morgan alleges the following advantages of the proposed Conewango Dam over the Kinzua Dam:

1. The Conewango project would protect Pittsburgh, Warren, and other Pennsylvania cities from floods from the upper Conewango Creek, as well as the Allegheny River. The Kinzua Dam would not affect the upper Conewango.

2. The Conewango project would provide three times as much water storage for low water control as the Kinzua project.

3. The Conewango project would cost less than the Kinzua project.

4. The Conewango project would be simpler to construct and would take 2 years less to complete than the Kinzua project.

5. The Conewango project would amply protect against 2½ to 3 times as much floodwater as the Kinzua, while the Kinzua project would protect Pennsylvania cities against only half the maximum probable flood.

6. The Conewango project would create a permanent lake, 28 square miles in area with a variation in water level of 10 to 20 feet from high water to low water. The Kinzua project would create a lake 4 square miles in area with a fluctuation in water level of 80 to 100 feet.

All of the above factors are entirely apart from any consideration of the issue of the U.S. Government dislodging what remains of the stalwart Seneca Indian Nation from their historic lands.

I would like to make brief reference to the issue involving the Seneca Indians, whose land will be taken by the Kinzua project.

In 1790, George Washington, President of the United States, replied to the speeches of the Seneca leaders and I believe some of his words deserve repetition here:

> I, the President of the United States, by my own mouth, and by a written speech, signed with my own hand, and sealed with the seal of the United States, speak to the Seneca Nation, and desire their attention, and that they would keep this speech in remembrance of the friendship of the United States.
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> * * * * * * *
>
> Here, then, is the security for the remainder of your lands. No State, nor person, can purchase your lands, unless at some public treaty, held under the authority of the United States. The General Government will never consent to your being defrauded, but it will protect you in all your just rights.
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> * * * * * * *

But your great object seems to be, the security of your remaining lands; and I have, therefore, upon this point, meant to be sufficiently strong and clear, that, in future, you cannot be defrauded of your lands; that you possess the right to sell, and the right of refusing to sell, your lands; that, therefore, the sale of your lands, in future, will depend entirely upon yourselves.

* * * * * * *

Remember my words, Senecas! Continue to be strong in your friendship for the United States, as the only rational ground of your future happiness, and you may rely upon their kindness and protection. An agent shall soon be appointed to reside in some place convenient to the Senecas and Six Nations. He will represent the United States. Apply to him on all occasions. If any man bring you evil reports of the intentions of the United States, mark that man as your enemy; for he will mean to deceive you, and lead you into trouble. The United States will be true and faithful to their engagements.

In an age in which the United States, more than any other country in the history of the world, symbolizes justice and unswerving loyalty to high principles, it should give us some pause that we as a nation are about to violate irrevocably the sacred commitment made to the Seneca Nation by George Washington as President of the United States.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. CANNON. Congressman Goodell, we thank you very much for the information you have given the committee.

SURVEY OF JACKSONVILLE HARBOR, FLA.

WITNESS

HON. CHARLES E. BENNETT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. CANNON. Congressman Bennett of Florida.

Mr. BENNETT. Mr. Chairman, I appreciate this opportunity to testify before your committee in behalf of the item of $25,000 to carry out the third stage of the survey of Jacksonville's Harbor. Through the kindness of this committee, appropriations of $23,000 and $25,000 were made in 1958 and 1959, respectively, for the first and second stages of this survey.

The purpose of the survey is to determine the feasibility of deepening Jacksonville's harbor from 34 feet to 42 feet. This project is greatly needed if this harbor is to handle the larger, deeper draft vessels which are being constructed and utilized in ever-increasing numbers. It is amply justified by the rapid growth of seaborne commerce through this harbor, by the important role which the harbor plays in the economy of the Southeast, by its contribution to national defense, and by the prospect of increased customs and income taxes if this improvement is carried out.

The people of the district which I represent appreciate the sympathetic reception which your committee has given this project in passing upon the earlier stages of the survey. We will appreciate your continuing this fine assistance by recommending approval of this $25,000 item for carrying out the third stage.

Recently I asked the Jacksonville Chamber of Commerce if they could determine as definitely as possible what the local interest desired for the inland termination of the harbor dredging. I have now heard

from the chairman of the port and waterway development committee of the chamber of commerce as follows:

The replies to my inquiry relating to utilization of a deeper channel by firms occupying waterfront sites between Trout River and Commodores Point as referred to in my letter of February 11, 1960, to date have favored the survey to include Commodores Point, with one request to consider the inclusion of the Southside Electric Plant as a potential user in the future.

The members of the port and waterway development committee strongly urge the completion of the survey at the earliest date, and that the maximum appropriation that can be utilized by the U.S. Army Corps of Engineers be obtained for fiscal year 1961. The survey should include Commodores Point.

It is noted that the district engineer has furnished an estimated cost of the study to be $142,000, with $43,000 appropriated to date. Further, that the amount included in the President's budget is $25,000, which is considered the maximum that can be utilized in 1961, in view of other budgetary limitations. Should additional funds be obtained for the survey, it is assumed an increment for administration would be required. If this cannot be accomplished, it is recommended that the balance of $74,000 be included in the 1962 budget in order that the survey may be completed without further delay.

It will be noted that it is felt that the finances of this project should be stepped up from the $25,000-a-year level if at all possible, due to the urgency for early development. Just this past week news has come to me of a large disabled ship, the *Esso Argentine*, being towed into the Mayport carrier basin at the entrance of the Jacksonville Harbor. Since the ship draws 36 feet of water it could not enter the commercial harbor development in Jacksonville and was restricted to emergency use in the military installation. I therefore urge that the $25,000 which has been budgeted be approved and that any additional amount be approved which will bring up the appropriation to the maximum that can be utilized by the U.S. Engineers in 1 year for this study. The amount of money involved is not great but the benefits to the community and Nation are very substantial and I therefore respectfully urge that the maximum amount be allowed in order that this survey can be completed as promptly as possible. In making this request it will be noted that the ultimate cost to the Government will not be increased as this is merely a question of speeding the program of study in order to bring it to a conclusion at the earliest possible date. I deeply appreciate your courtesy in allowing me to make this presentation.

Mr. CANNON. Thank you for appearing.

CARTERS DAM, GA.

WITNESS

HON. PHIL N. LANDRUM, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. CANNON. Congressman Landrum of Georgia.

Mr. LANDRUM. Mr. Chairman, I am appearing before the committee today to request the appropriation of $150,000 for planning of the construction of Carters Dam on the Coosawattee River in Murray and Gilmer Counties, Ga. This project has already received the favorable recommendation of the Corps of Engineers.

From authority derived from a resolution adopted on April 28, 1936, by the Committee on Rivers and Harbors of the House of Rep-

resentatives, the Corps of Engineers ordered the preparation of a report on the development of the Oostanaula River and tributaries in Georgia. This report was requested July 21, 1954, and completed on March 1, 1957. The recommendation of this report was that the United States construct the Carters Dam on the Coosawattee River for flood control, hydroelectric power with an installation of 76,000 kilowatts, recreation and other purposes. (Estimated cost based on 1956 prices, $38 million.)

I have advocated and worked for this project for the past several years as have both Georgia Senators, Seventh District Congressman Erwin Mitchell, the late Representative Lanham of the Seventh District and various other representatives and local leaders. One doesn't have to stretch the imagination to recognize the great need for this project nor to realize the meritorious benefits which would be realized by the vast number of people in this area by the construction of this dam. It is indeed heartening to know that the Corps of Engineers also recognizes these benefits as is evidenced by their favorable report. The completion of this project is long overdue.

Briefly I want to outline some of the more important factors that have been considered by the advocates of this project and the many benefits which would be accomplished by its completion.

The site for this multiple-purpose project is located on the Coosawattee River, 26.8 miles above the mouth near Carters, Ga. The drainage area above the site is 376 square miles. It is 45 miles southeast of Chattanooga, Tenn., and 60 miles north of Atlanta, Ga. The dam would be in Murray County, Seventh Congressional District, but a large part of the reservoir would be in Gilmer County. This river commences in the Blue Ridge Mountains of Georgia and flows southwesterly to form the Oostanaula River near Resaca, Ga. The Oostanaula River flows southerly joining the Etowah River at Rome and form the Coosa River. The basin of the Coosawattee River, 869 square miles in area, has a maximum width of 25 miles and length of 40 miles. Except in the lower 25 miles, it flows through a mountainous region. The valley flood plain is 1,300 to 11,000 feet wide, with the greater width being near the mouth.

The area tributary to the Oostanaula River Basin covering about 5,000 square miles includes 11 counties in Georgia and 2 counties in Tennessee. These 13 counties having an area of 3,181,400 acres has over 2 million acres classified as under farmownership. In 1949 the area produced farm crops having a total value of $9,500,000, the principal of which were corn, cotton, and hay. The value of poultry and livestock in that same year amounted to $17,500,000 and forest products $1,200,000. The flood plains of this river contain some of the best farmland of the region. Agriculture is the most important occupation and lands suitable for farming are at a premium. Along the Oostanaula River between Rome and the confluence of the Conasauga and Coosawattee Rivers there are 14,800 areas subject to inundation and the flood plain of the Coosawatee contains 8,200 acres of which 7,400 acres are cleared and 800 acres are wooded. Floods downstream from the mountain region cause considerable damage along each of the rivers. The greatest loss in rural areas results from direct damage to agricultural crops and property. There has also been considerable urban losses in Rome and Calhoun, Ga.

The construction of this multiple-purpose reservoir would be of tremendous benefit to the Oostanaula Basin and to the Alabama-Coosa River system. Flood storage would reduce damages caused by the most frequent floods and permit some modification of present land uses. It is estimated that the benefits from flood storage at Carters Dam based on June 1956 prices would be $207,000 annually. Of the total benefits, $203,000 would accrue to the rural areas and the remainder to the urban areas of Rome and Calhoun. The reservoir storage allocated for flood control would lower flood stages as much as 5.6 feet at Pine Chapel, 3.6 feet at Resaca and 0.5 feet at Rome thereby considerably reducing damages.

Hydroelectric power: The Carters plant would have a firm capacity of 75,000 kilowatts and produce a total of 145 million kilowatt-hours of energy. The total "at site" value would be $2,022,000. The project would also benefit downstream plants by the regulation of flow in the Coosawattee River. The average downstream benefits would be $63,000 making the total annual benefits amount to $2,085,000. The dam is favorably located with respect to load centers and existing transmission lines. The output would be absorbed into the interconnected system serving the area and transmission expenses would not be excessive.

Today, there is an ever-increasing demand and need for more electrical energy. The advancement of our scientific and industrial progress necessitates the full development of our hydroelectric power potential. Our defense projects require an ample supply of electrical energy at all times and their requirements have increased tremendously in recent years and will undoubtedly continue to increase in the future. We must not allow the lack of electrical energy to interfere with this progress. Here is another opportunity to help make possible the assurance that this country will have sufficient power when needed. Here is another opportunity to give our national defense the raw materials it needs and will need for satisfactory progress.

An incidental benefit which would be derived from this project is that of recreation. The dam would be situated in the mountains near the popular Chattahoochee National Forest. Approximately a million and a half people reside within a 75-mile driving distance of this location. The 2,550-acre lake would be suitable for swimming, boating, and fishing. It would create suitable areas for public parks and boat harbors. This would stimulate business activity and give the economy of that area a much needed lift.

In conclusion let me again stress the urgency of this project. This is a natural resource which has been allowed to lie dormant—a natural resource which is destructive in its present state—a natural resource with great possibilities and a natural resource that will, if developed, not only render a great service to the people in that area but will also be an asset to the entire Nation. For these reasons, I respectfully request that this project not be delayed further and that this appropriation be approved.

Mr. CANNON. Thank you.

WITNESS

HON. EDWARD J. DERWINSKI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. CANNON. Congressman Derwinski of Illinois.

Mr. DERWINSKI. Mr. Chairman, members of the committee, my congressional district in Illinois and the First Congressional District in Indiana are made up principally of the Calumet industrial region adjacent to the city of Chicago. The Little Calumet River, which runs through our districts and eventually joins up with the Illinois and Mississippi Rivers, has inflicted floods in the area during periods of heavy rains and spring thaws.

As you gentlemen know, a flood control project for this area was authorized by the Corps of Army Engineers by the Flood Control Act of 1954. In the first session of this Congress, $9,800 was appropriated, permitting the Army Corps of Engineers to commence a resurvey of the Little Calumet River in Illinois and Indiana. The District Engineers have requested the sum of $25,000 for fiscal 1961 for survey work: however, only $10,000 has been included in the present budget now under consideration by your committee.

The citizens of my district residing along the Little Calumet River and I are very anxious that this flood control work be completed, because during the last 10 or 15 years, numerous homes have been built along the basin of the Little Calumet River and the recurrent floods have damaged the homes and property in the area to the extent of hundreds of thousands of dollars during excessive rainfall and spring thaw periods.

I, therefore, request your honorable body to recommend to the Appropriations Committee and the Congress the appropriation of $25,000 in the Public Works project legislation which will come under consideration by your committee.

Mr. Chairman, I also wish to add my support to the request for funds in the amount of $120,000 for the removal of a strip of land and dredging along the west side of the channel of the Calumet River between turning basin No. 3 and the Cargill elevator in South Chicago, Cook County, Ill.

May I take this opportunity of reminding you that the Calumet River at that point is one of our most vital inland waterways, providing access to the port of Chicago, Lake Calumet Harbor, for the ships now reaching the Great Lakes through the St. Lawrence Seaway. The river and the port are entirely within the Fourth District of Illinois.

As you are aware, in 1953, Congress authorized the straightening of the channel of the Calumet River, including the removal of a strip of land "between turning basin No. 3 and the Northwestern elevator." The Northwestern elevator is what is now known as the Cargill elevator, having been purchased by Cargill, Inc., from the Chicago & North Western Railway Co.

Apparently no appropriations were made to start work on straightening the Calumet River until 1954, when $69,167 was appropriated for work in the vicinity of the plant of Marblehead Lime Co. In

1955, $51,752 was appropriated for work adjacent to the plant of the Glidden Co. In 1956, $235,961 was appropriated for work in the vicinity of property belonging to the Rail & Water Terminal Co.

It is my understanding that Cargill, Inc., has deeded over for the use of the pubic certain land in the area of the strip of land described above. Cargill, Inc., proposes as a companion project to pay for the dredging of a substantial area in the vicinity of the area for which funds are now being sought. This company also plans to construct a sheet steel dock 3,266 feet in length along the new channel line, and to build terminal facilities adjacent to said dock. Permits have been obtained for the construction of the dock, but cannot be built until the new channel, for which funds sought here today, are provided. Cargill, Inc., will start work on their project as soon as there is assurance the money will be made available for the channel straightening and dredging. I am informed that the Corps of Engineers will be in a position to take bids for the channel project within a week to 10 days after an appropriation is made, since all the necessary preliminary engineering work has already been done.

Mr. Chairman, members of the committee, straightening the Calumet River has tremendous advantages not only to the Chicago metropolitan area but, for practical purposes, the entire Middle West. I, therefore, certainly hope, gentlemen, that you will give favorable consideration to this proposal.

Mr. CANNON. Thank you, Mr. Derwinski.

WABASH RIVER PROJECTS

WITNESS

HON. GEORGE E. SHIPLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. CANNON. We will now hear from Congressman Shipley, of Illinois.

Mr. SHIPLEY. Mr. Chairman, I am appearing at this time in behalf of appropriations for projects on the Wabash River and tributaries and in particular those affecting the 23d Congressional District of Illinois which I represent.

Millions of dollars in damage to farm crops and lands has been experienced and will continue until these projects become a reality.

Your committee has in the past heard much testimony as to the need of various important flood control projects and witnesses are again appearing during these hearings with further detailed information, therefore, I will refrain from making a long statement at this time.

I wish to urge consideration of survey funds for the following projects with amounts as indicated: Wabash River and tributaries, $60,000; Wabash River at Mount Carmel, Ill., $10,000.

The $10,000 is in the budget for Mount Carmel. There is $30,000 in the budget for the Wabash River and tributaries; however, the Army Engineers have informed me their capabilities for this project are $60,000 for fiscal 1961.

Thank you for this opportunity to be heard on these two authorized projects.

Mr. CANNON. Thank you, Mr. Shipley.

RESURVEY OF CHAGRIN RIVER

WITNESS

HON. ROBERT E. COOK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. CANNON. Congressman Cook, of Ohio.

Mr. COOK. Mr. Chairman and members of the committee, as Representative from the 11th Ohio District, I am appearing before your committee to respectfully petition you to include in the appropriations for public works for fiscal year 1961 the sum of $42,200 to complete a resurvey of the need for a flood-control project on the Chagrin River in Ohio.

Last year, this great committee approved the appropriation of $10,000 to begin this resurvey, which was authorized on July 25, 1952, by the Senate Public Works Committee. The people of my disrtict and myself were very appreciative of the amount appropriated in the 1960 public works appropriations bill and now respectfully request that the balance of the money needed to complete the resurvey be appropriated for fiscal 1961.

I am sure that it is not necessary for me to repeat for the benefit of this committee the need for fast action for flood control in the Chagrin River Valley. Suffice it to say that the Chagrin River watershed is composed of 267 square miles and contains a population of 97,634 persons. It is in the middle of one of the fastest growing areas in the United States today. Each year the area experiences floods which cause great property damage and in the flood of a year ago last January, the loss of five lives.

I am submitting to this committee, with my remarks, a letter from Col. Earle B. Butler, district engineer for the Buffalo office of Army Engineers, in which he states that the cost of completing this survey is estimated at $42,200, all of which could be utilized in completing this sutdy in fiscal year 1961.

I respectfully request your consideration of this needed improvement and your approval of the necessary funds to complete the resurvey in fiscal year 1961.

U.S. ARMY CORPS OF ENGINEERS,
Buffalo, N.Y., February 19, 1960.

HON. ROBERT E. COOK,
House of Representatives,
Washington, D.C.

DEAR MR. COOK: I have your letter dated February 16 requesting an estimate of the amount needed to complete the survey of Chagrin River for flood control. The cost to complete the survey, in addition to the funds appropriated for fiscal year 1960, is estimated at $42,200.

From the strictly engineering standpoint, considering this study by itself without reference to our overall program, our overall capability, or fiscal considerations, an amount of $42,200 could be utilized for this study in fiscal year 1961. As you may know, the amount for this study included in the President's budget is $10,000, which represents the maximum amount which can be utilized in view of overall budgetary considerations.

I will be pleased to furnish any further information you may desire with regard to the survey of Chagrin River.

Sincerely yours,

EARLE B. BUTLER,
Colonel, Corps of Engineers, District Engineer.

Sandusky River Basin Survey

WITNESS

HON. A. D. BAUMHART, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. Cannon. We will be glad to hear from Congressman Baumhart of Ohio.

Mr. Baumhart. Mr. Chairman and members of the committee, the history of the Sandusky River Basin survey project is well known to you, I am sure, in view of your attention to this problem in April of last year. I wish to urge your approval at this time of the item of $41,500 included in the bill before you, and earmarked for the purpose of completing the survey now underway following your approval of a $58,500 appropriation in 1959.

The loss of life, and the millions of dollars of damage caused by the 21 floods that have plagued this area in the past 50 years is a matter of record, and there is no need for me to repeat these statistics. You will be interested to know, however, that the Corps of Engineers and local officials are making good progress. I attended a meeting last December marking the initial step in this effort to control and improve the Sandusky River, and lessen the threat of floods in future years. Over 125 persons were present, including representatives of business firms, county and State officials, and members of the farm bureau and other organizations. Pledges of cooperation with the Army Corps of Engineers for the necessary land, rights-of-way, access roads at no cost to the Federal Government, and certain relief from Government responsibility, were formally filed. I have recently been informed by the corps that with the advent of warmer weather the survey is moving ahead very rapidly.

The requested sum of $41,500 will permit the completion of work authorized in 1948, and will justify the previously expended sums of $31,000 and $58,500. We must not lose the ground we have gained. We are well aware that completion of this survey is mandatory for any actual flood control construction work in the months ahead; and, if we are to attain the ultimate goal of adequate flood protection in the Sandusky River Basin.

Thank you.

Mr. Cannon. We appreciate your appearing before us.

Queens Creek

WITNESS

HON. THOMAS N. DOWNING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA

Mr. Cannon. Congressman Downing of Virginia.

Mr. Downing. Mr. Chairman, I am grateful for the time which you have allotted me to appear in favor of recommended improvements for Queens Creek in Matthews County, Va.

Queens Creek is a tidal tributary to Hills Bay, an indentation on the western shore of Chesapeake Bay, south of the mouth of the Rappahannock River. The tidal section of the creek is about 2 miles in length, and averages about 600 feet in width.

The residents of this area have petitioned since 1939 for assistance in opening Queens Creek. This creek's mouth is at present virtually closed. Only 8 inches of water cover the entrance at low tide.

In 1959, at my request, the engineers reviewed the Queens Creek project, which they had rejected in 1952, and recommended that favorable consideration be given improvements since they are now deemed to meet the cost-benefit requirements. Accordingly, the Public Works Committee authorized a $12,000 survey into the various aspects of dredging in this area.

At present this sum is not included in the general fund for navigation surveys. By the engineers' own recommendation it should be.

This haven can accommodate 20 to 30 fishing and oystering boats of draft to 9 feet and length to 60 feet. These craft could produce over $1 million in seafood revenue each year.

Furthermore, the opening of this creek would make it possible to increase the area's production of oysters, crabs, and fish to $800,000 a year.

Additional dollar income would be insured to industry-poor Matthews County through the institution in Queens Creek of boat repair, fueling, and boat-service activities not now being provided in this county.

The location of Queens Creek is ideal for attracting much of the north-south Chesapeake Bay pleasure craft traffic. Similarly, the facilities would attract local pleasure craft by offering permanent, safe anchorage.

It is not difficult to see from the above possibilities how this Queens Creek project was able to pass the Engineers' benefit-cost requirements.

The people of the area have been extremely patient. For over 20 years, they not only have petitioned for assistance in utilizing this valuable natural resource, but also have made vigorous efforts—even if unsuccessful—to raise the money themselves.

I urgently request, in the interest of both the area and the country that this $12,000 for the survey be included in 1961 fiscal year appropriations.

Mr. CANNON. Thank you, Mr. Downing.

GREAT LAKES NAVIGATION PROJECTS

WITNESS

HON. THOMAS LUDLOW ASHLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. CANNON. Congressman Ashley of Ohio.

Mr. ASHLEY. Mr. Chairman, my purpose in appearing before your distinguished committee is to respectfully request that the sum of $1,423,400 be appropriated to cover design and engineering costs for 19 harbor and navigation improvements in the Great Lakes States. As you know, these improvements are in the pending rivers and harbors bill, that is to say, the authorization bill passed last year by the House and the separate measure now being acted upon by the Senate.

I appreciate the fact, Mr. Chairman, that the usual procedure limits appropriations to authorized projects. It is my understand-

ing, however, that it is perfectly possible for this committee to make funds available contingent on authorization being completed prior to expenditure of the funds.

As a matter of fact, as most of you gentlemen no doubt remember, it was exactly this procedure in fiscal year 1957 that committed $5 million to be made available for the Great Lakes connecting channels before authorization was completed. This enlightened and farsighted action made it possible to advance the construction period of this project by at least 1 year and without question thereby saved a considerable amount of money.

I am sure this committee is fully aware that the Senate, having failed to consider a rivers and harbors bill last year, is all but certain to do so this year. At the same time, however, it's doubtful that this consideration will be completed prior to completion of action by this committee and the Appropriations Committee of the Senate for funds for fiscal of 1961. It is for this reason, of course, that the request is made for $1,423,400 for design and engineering costs for the harbor and navigation improvements above mentioned, this sum to be made contingent on authorization being completed prior to expenditure of the funds.

As far as the harbor deepening projects themselves are concerned, Mr. Chairman, I think it is worth mentioning that today there is not a single harbor in the Great Lakes deep enough to accommodate ships loaded to the full 27-foot draft of the new St. Lawrence Seaway. It is vital and urgent that these harbors be improved as speedily as possible because, until they are dredged to the full 27 feet, it will not be possible for the greater Middle West to derive the full advantages and benefits from the seaway and the connecting channels in which our country will have invested over a quarter of a billion dollars.

Mr. Chairman, the Federal construction cost of the 19 harbor deepening projects has been estimated at just short of $75 million. The project at Toledo, Ohio, second largest in dollar volume of the 19 which have been authorized, has an estimated price tag of $14.6 million. The design and engineering costs of the Toledo project has been set at $332,000 and is part of the $1,423,400 requested for design and engineering for the 19 Great Lakes projects.

I am grateful for the opportunity of presenting this testimony, Mr. Chairman, and I urge its favorable consideration by this distinguished committee.

Mr. CANNON. Thank you, Congressman Ashley.

DEEPENING OF DELAWARE RIVER

WITNESS

HON. FRANK THOMPSON, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. CANNON. Congressman Thompson of New Jersey.

Mr. THOMPSON. Mr. Chairman, let me begin by thanking you for again affording me an opportunity to appear in behalf of the deepening of the Delaware River. I have been appearing before you ever since I came to Congress in 1955. On every occasion you have given

every consideration to my appeals in behalf of the Philadelphia to Trenton channel-dredging project. You are to be congratulated for the judgment you have shown in the past. I thank you again for your many courtesies to me.

This year, I appear in support of an $11,700,000 appropriation, a sum recommended by the Bureau of the Budget. It is vitally important that the project proceed at an economical pace, and I believe this sum is the minimum amount necessary for an orderly continuation of the work of the Army Engineers.

As in the past, I speak in behalf of a project which has had nearly unanimous support in the Fourth Congressional District of New Jersey, which I have the honor to represent. Recognition of its import has grown year by year. But I do not appear in support of an undertaking that is of purely parochial interest. It will have immediate and long-range effects upon one of the great industrial complexes of our Nation. You have always recognized that river and harbor improvements have had a great impact, not only on the area immediately affected, but on the expansion and development of the entire Nation.

Actually the deepening of the channel project has cost several millions less than originally anticipated. This committee is to be congratulated for having seen to it that it proceeded at the most economical pace possible. I feel sure that you will see fit to provide for its continuation at such a pace in the future.

Kahului Harbor

WITNESS

HON. OREN E. LONG, A SENATOR FROM THE STATE OF HAWAII

Mr. Cannon. We will now hear from Senator Long of Hawaii.

Senator Long. Mr. Chairman, I wish to support fully the appropriation which your subcommittee is considering for the improvement and enlargement of the turning basin at Kahului Harbor on the island of Maui in Hawaii.

The project is essential to the safety of navigation in Kahului Harbor, one of the largest and most important harbors in the State of Hawaii. The navigable portion of the harbor is now, at its widest, only 1,450 feet across. This distance is obviously inadequate to accommodate modern vessels. There has been an increasing amount of damage sustained by ships using the cramped harbor, and near misses are frequent. Unless the harbor is improved, it is only a question of time before a serious accident occurs.

With sufficient funds a turning basin of 2,100 feet in width can be dredged, providing ample room for the large freighters which call at Kahului. I ask that the subcommittee approve the full amount of the appropriation which is needed for the job—$945,000. The need is urgent.

Two other projects before the subcommittee merit support. One is the improvement of Honolulu Harbor to accommodate increased traffic of large vessels. The other is flood control at Kawainui Swamp, necessary to protect the rapidly growing community of Kailua on the island of Oahu.

I joint with Congressman Inouye in requesting that adequate provision be made for these surveys and studies: Deepening Honolulu Harbor, improving Port Allen on the island of Kauai, checking erosion at Waikiki and Haleiwa Beach, Oahu, and surveying the coasts of our State to determine where additional harbors can advantageously be constructed.

PROJECTS IN HAWAII

WITNESS

HON. HIRAM L. FONG, A SENATOR FROM THE STATE OF HAWAII

Mr. CANNON. We will also hear from Senator Fong of Hawaii at this time.

Senator FONG. Mr. Chairman, I appreciate the opportunity to submit my statements on several civil works projects for the State of Hawaii. All of these several projects for which I am asking consideration are of great importance to the people of my State.

The first project for which I ask consideration is the enlargement of the turning basin at Kahului Harbor. This harbor is located on the island of Maui, which is substantially dependent upon water transportation to carry on the commerce so necessary to maintain the economy and welfare of its population of over 38,000 people. The only harbor on the island of Maui available to accommodate ocean-going vessels engaged in such commerce is Kahului, where the cargo handled annually approximates 750,000 tons. The present size of the turning basin is inadequate to accommodate ships of the size which now visit the port regularly. The need for this improvement is immediate and urgent. The amount of $807,500 is therefore requested.

For fiscal year 1960 Congress has already appropriated the initial amount of $137,000. This sum has not been released for lack of authorization. No authorization was secured because the House of Representatives approved the Kuhului project under the rivers and harbors omnibus bill, while the Senate approved it under a separate measure—S. 1632. The omnibus bill is now pending before the Committee on Public Works of the Senate and action will be taken on this measure shortly.

There are two items contained in the President's budget request for fiscal year 1961 which I should like to bring to the attention of this committee. For Honolulu Harbor, Hawaii, $1,216,000 has been requested. This amount is needed for the continuance of the construction of the second entrance channel and bascule bridge. The other item is $500,000 requested for Kawainui Swamp. This project is to provide protection for the town of Kailua, which is located between the swamp proper and Kailua Bay. The total number of residences and business establishments within the flood area in 1956 was already approaching 3,000. During severe floods, streams are discharged into the swamp, causing it to overflow into residential areas of Kailua, inundating homes, overflowing cesspools and rendering roads impassible. The Kawainui Swamp flood control project is well justified with a cost-benefit ratio of better than 3 to 1.

The people of Hawaii who are affected fervently hope that these construction funds can be made available for fiscal year 1961.

Mr. Chairman, I also ask that survey funds be provided for navigation and beach erosion projects.

The first of these is a study of the coasts of the Hawaiian Islands with a view to establishing harbors for light-draft vessels, for refuge and other purposes. This project study is of the utmost importance. Because of the length of our coastlines within the State of Hawaii, there is an urgent need for harbors for light-draft vessels and for harbors of refuge for small craft. The President's budget for fiscal year 1961 requested $21,800 for this survey, but this amount is totally inadequate to carry out an effective survey in fiscal year 1961. The amount of $90,000 is needed for an effective survey.

The second survey is a review of Honolulu Harbor. This is a survey to determine whether it is advisable at this time to improve the harbor to accommodate larger seagoing vessels. Funds for this survey are not included in the President's budget for fiscal year 1961. The estimated cost of such survey is $28,000.

The third survey is that for the Hilo Harbor modification. The President's budget for fiscal year 1961 requests $25,000. Again, this amount is inadequate. The need here is for $85,000 to carry out an effective survey in fiscal year 1961.

The fourth is a review of the existing reports on Port Allen Harbor to determine the feasibility of modifying the existing project. There is an urgent need for a second breakwater here, and the sum of $25,000 is requested for this survey.

Mr. Chairman, I earnestly request that these amounts—$90,000 for a study of the coasts of the Hawaiian Islands; $28,000 for a review study of Honolulu Harbor; $85,000 for Hilo Harbor modification; $25,000 for modification of the Port Allen Harbor project—be granted.

Two beach erosion studies are urgently needed. The first of these is the Waikiki Beach erosion study. In Federal funds, $10,000 is already available for this study. The State has made $16,000 available as its share, and an additional $6,000 is required to make up the Federal share.

The second beach erosion study is that of Haleiwa. The total cost of this study is $20,000, of which the State has made available $10,000 as its share. Federal funds in the amount of $10,000 are urgently needed to conduct this study in fiscal year 1961.

I urge the committee to include $6,000 for the Waikiki Beach erosion study and $10,000 for the Haleiwa Beach erosion study.

I conclude this statement, Mr. Chairman, by calling your attention once again to the projects on which I have asked consideration:

Construction

1. Kahului Harbor	$807,500
2. Honolulu Harbor	1,216,000
3. Kawainui Swamp flood-control project	500,000

Surveys

1. Survey of the coasts of the Hawaiian Islands	90,000
2. Honolulu Harbor deepening study	28,000
3. Hilo Harbor review study	85,000
4. Port Allen Harbor modification study	25,000
5. Waikiki Beach erosion study	6,000
6. Haleiwa Beach erosion study	10,000

I thank you again for the opportunity to present my statement.

TURNING BASIN, KAHULUI HARBOR, HAWAII

WITNESS

HON. FRANK J. BECKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. CANNON. Congressman Becker has a statement to make.

Mr. BECKER. Mr. Chairman, I present this statement in support of the appropriation for the provision covering the enlargement of the turning basin in Kahului Harbor, Maui, Hawaii. As a member of the House Public Works Committee up to 1957 (now serving on the Armed Services Committee), I visited the Hawaiian Islands and, on two occasions, inspected this particular project.

I do not intend to cover all the factors involved because I am sure the committee has had the facts presented to them in their entire detail. However, unless this turning basin project is completed as rapidly as possible, there is no question in my mind that the economy of the island is seriously affected. I personally witnessed the great difficulty in the maneuvers necessary to turn about the ships in this harbor and, despite the expert handling, under ordinary conditions it is hazardous. The heavy swells ordinarily incur and then with the added unusually strong winds, many times it is impossible to complete the maneuver; hence, a great loss of time and considerable expense entailing. I am sure the record is replete with the number of ships that have been seriously damaged in the present turning basin.

I am sure the committee is well aware of the fact that I have no interest whatever in this or any other project on the Island of Maui other than that of a committee member who wants to see something accomplished that is vitally necessary. There are too few harbors in the Hawaiian Islands. Sometime it might be vitally necessary for national defense that a harbor of this type will be used for our Navy, as well as for the commercial and economic factors involved.

I add my word in support of this project and hope the committee will see fit to approve.

MONDAY, APRIL 11, 1960.

COLORADO RIVER STORAGE PROJECT, TRANSMISSION LINES

WITNESSES

ARIZONA:

HON. BERT BROWN, MAYOR, CITY OF MESA
BERT FREESTONE, COUNCILMAN, CITY OF MESA
LEROY KELLIS, COUNCILMAN, CITY OF MESA
LEE MUMFORD, COUNCILMAN, CITY OF MESA
HON. CHARLES W. KIRTLAND, MAYOR, CITY OF SAFFORD
V. I. CORBELL, SALT RIVER WATER USERS
FLOYD N. SMITH, SALT RIVER WATER USERS
JOHN HOOKS, SALT RIVER WATER USERS
L. M. ALEXANDER, SALT RIVER WATER USERS
R. J. McMULLIN, SALT RIVER WATER USERS
A. VAN WAGENEN, ARIZONA MUNICIPAL POWER USERS ASSOCIATION
OAKLEY JORDAN, ARIZONA MUNICIPAL POWER USERS ASSOCIATION

COLORADO:
MARION M. WILSON, PRESIDENT, COLORADO RIVER BASIN CONSUMERS POWER, INC.
HOWARD SCOTT, MANAGER, COLORADO RURAL ELECTRIC ASSOCIATION
D. H. TREMMEL, MANAGER, TRI-STATE GENERATION & TRANSMISSION ASSOCIATION
NEW MEXICO:
PHILIP N. SANCHEZ, PLAINS GENERATION & TRANSMISSION COOPERATIVE
NORTON DAVIS, PLAINS GENERATION & TRANSMISSION COOPERATIVE
UTAH:
W. BERRY HUTCHINGS, MANAGER, BOUNTIFUL CITY LIGHT & POWER; PRESIDENT, INTER-MOUNTAIN CONSUMER POWER ASSOCIATION
K. J. PARKINSON, MANAGER, ST. GEORGE CITY ELECTRIC; DEPUTY TREASURER, INTER-MOUNTAIN CONSUMER POWER ASSOCIATION
RAY BROWN, VICE PRESIDENT, INTER-MOUNTAIN CONSUMER POWER ASSOCIATION; DIRECTOR, MOON LAKE ELECTRIC ASSOCIATION, INC.
E. J. BALLARD, JR., GENERAL MANAGER, MOON LAKE ELECTRIC ASSOCIATION, INC.
MARION ROSS, DIRECTOR AND PRESIDENT, MOON LAKE ELECTRIC ASSOCIATION, INC.
I. W. CRAMER, DIRECTOR, MOON LAKE ELECTRIC ASSOCIATION, INC.
RALPH TAYLOR, DIRECTOR AND VICE PRESIDENT, MOON LAKE ELECTRIC ASSOCIATION, INC.
NED COLTHROP, COLTHROP & MALNER INVESTMENTS, ROOSEVELT, UTAH
WYOMING: HAROLD CASH, PRESIDENT, WYOMING STATE ASSOCIATION

Mr. CANNON. Mr. Marion Wilson.
Mr. WILSON. I have an introductory statement.

STATEMENT OF MR. MARION M. WILSON

Mr. Chairman and committee members, I am Marion M. Wilson, of Fort Morgan, Colo., representing the Colorado River Basin Consumers Power organization, of which I am president. We sincerely appreciate the opportunity to appear here today. Our organization, previously known as the Upper Colorado River Preference Users' Committee, represents over 1,200,000 preference consumers in the five States of Utah, Wyoming, Colorado, New Mexico, and Arizona—five States united in a common program.

We believe a Federal power transmission system is a fundamental necessity for the Colorado River storage project—to assure project repayment, maximum assistance to participating irrigation projects, and the delivery of power to major load centers of the preference customers in the States of the Colorado River Basin at costs which will not adversely affect power rates to consumers.

Our preference user group has been very active on upper Colorado River power matters during the past 2 years. Our vital concern with this project is demonstrated by the fact that a few months ago we incorporated our organization, and retained the services of Mr. Harvey F. McPhail, a well-known engineering consultant who formerly was Assistant Commissioner of the Bureau of Reclamation. Mr. McPhail has studied these matters and prepared a formal engineering report for us.

With your permission, Mr. Chairman, I will ask Mr. McPhail to appear now. We have statements to file by delegates from Utah, Wyoming, Colorado, and New Mexico. I understand delegates from Arizona are scheduled to appear later this morning.

To conserve time, Mr. Chairman, I request your permission to file the balance of my statement, plus the statements of these other delegates, and call on Mr. McPhail for his testimony at this time.

Thank you.

Mr. CANNON. The statements will be made a part of the record.

STATEMENT OF SENATOR WALLACE F. BENNETT OF UTAH

We will also insert a letter received from Senator Wallace F. Bennett, a U.S. Senator from the State of Utah.

U.S. SENATE,
Washington, D.C., April 8, 1960.

Hon. CLARENCE CANNON,
Chairman, Appropriations Committee,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Since you are now holding hearings on the important public works appropriation bill, I am writing to respectfully urge you to include $5 million in the upper Colorado storage project appropriation for construction of the two power transmission lines recommended by the preference customers of the upper basin States. The budget included $518,000, but for preconstruction work only.

During the first week of March this year, I was represented at a meeting conducted by the preference customers at which they urged an immediate appropriation of $5 million to build lines from the Flaming Gorge Dam to Oak Creek, Colo., and from the Glen Canyon Dam to Farmington, N. Mex. Since that time I have carefully studied their recommendation and I have concluded that it is fully justified and very much needed.

It is expected that generation of power will commence in June of 1963 at Flaming Gorge and that first power production at Glen Canyon will be in June of 1964, with full production in June of 1966. While the Bureau of Reclamation could probably push hard and have the lines built in time, it seems the better part of prudence to get a portion of the work underway this summer to assure that the lines will in fact be ready.

Because of the protracted strike at Glen Canyon, there will be an unexpectedly large carryover of funds from the present fiscal year. When the budget was submitted to Congress in January, it was estimated that there would be an $18 million carryover at Glen Canyon, but now it is evident there will be $26.5 million. Thus, the amount of new money required in the fiscal 1961 budget is reduced fully $8.5 million. Therefore, the $5 million can be allocated to construct the two transmission lines without any net appropriation increase for the upper Colorado project. The funds should be specifically earmarked for the two lines.

The two lines recommended for immediate construction by the preference customers, that is, the municipalities and REA's, are not as controversial as some others. It is my understanding that the members of the congressional delegations of the States most directly affected by the lines are willing to have the Federal Government build the lines. Therefore, I feel free to support the proposal in the knowledge that upper basin comity is not violated.

It is most important to the upper Colorado project to have the transmission lines ready to take the power from Glen Canyon and Flaming Gorge when it comes on the line. I therefore hope that the full committee report will act favorably upon my recommendation. Would you please include my letter in the hearing record when it is printed.

Sincerely,

WALLACE F. BENNETT.

STATEMENT OF MR. HARVEY F. M'PHAIL

Mr. MCPHAIL. Mr. Chairman and gentlemen of the committee, my name is Harvey F. McPhail, manager of the Hydroelectric Division of the Kuljian Corp. of Philadelphia, Pa.

The Kuljian Corp. was retained by the Colorado River Basin Consumers Power, Inc., in December 1959 to conduct a study to determine the power requirements of customers having preference under reclamation law in the area tributary to the Colorado River storage project hydroelectric developments and to recommend a transmission system for the project which would best fit their needs. Such a study has been made and the results incorporated in a report dated March 1, 1960, copies of which have been distributed to the committee. As you can see, it is not of great length and we request, if permissible, it be included in the transcript of the hearings.

This report, based upon careful and, we believe, quite conservative estimates, demonstrates that the preference customers in the five States of Arizona, Colorado, New Mexico, Utah, and Wyoming can absorb and use all of the power to be generated by the presently authorized hydroelectric plants of the project from the date of initial operation. Among the preference customers it is agreed that such use will be at the firm rates established for the sale of power. It is our considered opinion that this will have the most favorable results in achieving project repayment and expediting the construction of the participating projects.

A transmission system has been proposed which has an estimated cost comparable with estimates made by the Bureau of Reclamation in the project report upon which authorization was based. It is believed to be wholly in keeping with the spirit and intent of the authorizing legislation and will accomplish the following objectives:

(1) Transmit power to strategically located load centers from which the preference customers can take it to their various loads;

(2) Provide interconnection between the hydorelectric plants of the project, thus permitting their fully integrated operation;

(3) Provide interconnection over federally owned lines between presently operating federally owned systems, including the western division of the Missouri Basin project in Colorado and Wyoming, the Rio Grande project in New Mexico, the Boulder Canyon project in California and Nevada, and the Parker-Davis project in Arizona. This arrangement will permit the Government to reap full advantage of the diversity in loads between north and south, where peaks occur at different seasons of the year, and between east and west, where time zones influence peak periods. Also, full advantage can be taken of the diversity in precipitation affecting water supply in the various drainage basins; and

(4) Permit convenient extensions to connect with additional hydroelectric plants which may be authorized for future incorporation in

the project and with yet to be authorized transmountain diversion projects such as the Frying Pan-Arkansas and the San Juan-Chama.

Regarding connections between projects we believe it is of vital importance to stress the connection with the Parker-Davis transmission system. The problem of filling the Glen Canyon reservoir is complicated and difficult. The magnitude of runoff during the filling period control both the number of years required to achieve proper operating levels and the ensuing power output at Glen Canyon and all plants on the Colorado River below it, particularly Hoover powerplant. Interconnection of large capacity will have an important effect during this period in preserving the best combination of water levels and minimizing or eliminating deficiencies in power output for all concerned.

It will be noted in our report that three lines capable of transmitting about 500,000 kilowatts have been shown for initial construction from Glen Canyon to the Phoenix area. These are considered essential to effect the interconnection with the downstream plans and to permit the absorption of early production of Colorado River storage project power in Arizona. Suggestion is also made that two of these lines later be transferred to the potential Marble Canyon development of about 350,000 kilowatts capacity just below Glen Canyon with proper credit of investment to the Colorado River storage project. While this procedure may be somewhat unorthodox, it is certainly a practical one due to the highly economical characteristics of the Marble Canyon development and the future definite need for lines to carry its output away.

As you gentlemen are aware, the private utilities operating in the Colorado River Basin and adjoining areas have presented a proposal for the construction of a transmission system. The preference customer group represented here is opposed to that private utility proposal. They do not believe it is in keeping with the spirit and intent of the authorization act in the following respects:

(1) It does not provide a federally owned or controlled transmission grid interconnecting the authorized plants of the project and other Federal powerplants in the area. In this situation it does not seem probable that the Federal Government would have the full and free use of the lines to achieve the maximum of power integration unless substantial payments were made for transmission of the power and energy involved.

(2) It proposes that the Federal Government at its expense construct certain expensive lines, involving over $40 million or about one-third of the total, through difficult and relatively uninhabited areas. However, such Federal lines would not reach any large load centers and would interconnect only the Glen Canyon and Curecanti developments. They would not connect directly with any other Federal systems and would have no independent operating value since utility systems would control.

(3) The repayment of the project would probably be adversely affected since the project would be entirely hemmed in by a complete belt of utility lines thus hampering the Government in full freedom of power sales. The utilities have given no indication of being willing to pay firm rates for any power available to them, but would be in control of all outlets beyond these Federal lines.

(4) No charges for transmitting power for preference customers have been indicated. It is not known whether the utilities intend to use as a basis for these charges full utility costs, costs based upon sharing of line capacity, or incremental costs related to those which they consider would be required for their own transmission needs. It is hard to conceive under any circumstance how these charges could be as low as those related to a complete Federal system and therefore would adversely affect costs of power to preference customers.

The utility proposal was based upon the assumption that preference customer loads would be such that the utilities would have available 84 percent of the project power in 1965 and 33 percent by 1980. In view of careful market studies conducted by the preference customers and the Bureau of Reclamation, it appears that no project power will be available for the utilities at any time. We have no information whether this situation will affect the utilities proposal of October 1, 1959. We cannot but wonder, however, what justification, from an investor's standpoint, is present under these circumstances for the private utilities making the necessary very large investment in transmission facilities.

The preference users in Arizona have expressed themselves as being ready and willing to absorb the unused output of the Colorado River storage project on either a permanent or a temporary basis from the day it is available * * * and at firm prices. We believe this represents increased revenues of the highest importance to the project in early years, perhaps as much as $50 million more than could be anticipated if sales to the utility systems only were possible.

A basic concept in the Federal Government's approach to the financial operation of a multipurpose project is the maintenance of a uniform rate level throughout the repayment period. Thus, after the power investment is repaid with interest, an annual amount equal to the annuity previously paid for this purpose is available for credit against the repayment of the cost of the storage and participating projects. As about 91 percent of such costs must come from power revenues, its importance is evident. If the private utilities build the transmission system and make a continuing charge for transmitting the power, this increment of repayment will be lost. It amounts to about $6 million per year and totals from $240 million to $330 million over repayment periods of from 40 to 55 years after power investments have been amortized.

The need for immediate initiation of transmission line construction is urgent. Flaming Gorge is scheduled for initial operation in June 1963. A line must be ready by that time if power is not to be bottled up. Even with money available by the early fall of calendar year 1960, none too much time is available. Glen Canyon is scheduled for initial operation in June 1964. Due to the heavy, high-voltage type of construction involved, funds should also be available this calendar year to permit a reasonable schedule of construction. We respectfully urge that at least $5 million be made available in the appropriations for fiscal year 1961 for this purpose. It should be noted that the lines contemplated under this minimum appropriation are those from Flaming Gorge to Oak Creek and Glen Canyon to Farmington and Curecanti which the utilities have indicated should be constructed by the Federal Government.

We also urge that this committee, by suitable language in the bill or otherwise, indicate that the construction of a complete Federal transmission system be contemplated and that the Bureau of Reclamation be instructed to proceed with the necessary engineering studies and include in its future budget presentations requests for the necessary funds to complete the system in time to meet power production and market requirements. In particular, early consideration should be given to the following lines: Flaming Gorge to Sinclair, Flaming Gorge to Provo, Glen Canyon to Provo, Farmington to Albuquerque, and Glen Canyon to Phoenix.

Thank you very much, gentlemen.

Mr. CANNON. Mr. McPhail, you are an old friend of the committee. You have appeared before this committee many times over a long period of years.

We have learned to depend on you, on your technical knowledge and your engineering skill, on your analysis of these various situations.

We have before us at this time as a part of this presentation a report prepared by the Kuljian Corp. This corporation has been retained by the Colorado River Basin Consumers Power, Inc., which consists of the preference customer groups operating in or adjacent to the area in which the hydroelectric power for the Colorado River storage project will ultimately be delivered.

The committee would be glad and would appreciate it if you would look at the map which is submitted here by Kuljian Corp. in connection with this presentation—and I will ask the clerk to hand you a map—and tell us if this project outlined in this map is what you are at this time approving and recommending.

Mr. MCPHAIL. Yes, sir, it is.

Mr. CANNON. It is identical. We want to know if your map is identical with the one presented in the Bureau's justifications. You may answer that when the transcript comes to you after you have had time to look it over.

The following answer was submitted:

Mr. MCPHAIL. The maps presented are basically the same insofar as the backbone system is concerned. Our map has some variations and additions in 115 kilovolt lines leading to customers load centers.

Mr. CANNON. In the meantime, Mr. Wilson, is there anything further?

Mr. WILSON. Just permission to file our statements.

Mr. CANNON. They will be made a part of the record at this time.

(The statements follow:)

STATEMENT OF MARION M. WILSON

Mr. Chairman and members of the committee, I am Marion M. Wilson, of Fort Morgan, Colo., representing the Colorado River Basin Consumers Power, Inc., of which I am president. We sincerely appreciate the opportunity to appear here today.

Our organization, previously known as the Upper Colorado River Preference Users Committee, represents over 1,250,000 preference consumers in the five States of Arizona, Colorado, New Mexico, Utah, and Wyoming—five States united in a common program.

We have been active on Colorado River storage project power matters during the past 2 years. We have given considerable time and study to this complex problem directly affecting the future of our area.

We believe a Federal power transmission system is a fundamental necessity for the successful operation of the Colorado River storage project—to assure project repayment, maximum assistance to participating projects, and the delivery of power to major load centers of preference customers in the States of the Colorado River Basin at costs which will not adversely affect power rates to consumers. We believe construction on such a system should begin this year in fiscal 1961.

Colorado Basin Consumers is organized to represent the thousands of customers served by nonprofit power systems in the Colorado River Basin area. We seek to expedite the two-way flow of information between administration agencies, the Congress, other interested groups, and agencies and the actual consumers of power.

Our first project was to compile load data of preference users based on estimates furnished by the individual systems. This data has served to supplement load data of the Bureau of Reclamation, and its accuracy is reflected in the close agreement between Bureau and Colorado River Basin Consumer figures. These figures show that preference power users, including those in Arizona, can at all times use all project power.

A recent recheck of these estimates against actual purchases reveals that many systems exceeded their projected 1959 demand. While most of our systems are relatively small, they combine to form a dynamic and growing market for electric power, and this growth can only be enhanced by the general economic development contemplated in the project.

We are seriously concerned by the status of the power features of the storage project. Construction of the main-stem units, including generation facilities, is progressing rapidly and interest on these power features is accumulating. Power sales will repay 91 percent of all project cost, yet the power transmission facilities of the project are a year behind. If construction is further delayed, only a wasteful crash program, involving considerable strain on all segments of the electric equipment, apparatus, and construction industry, would get the lines built before project generation began.

With the stipulations laid down by this committee in its report last year as a guidepost, this has been a busy year and largely productive.

By July 10 the Bureau outlined to all potential users a tentative transmission system and tentative power flows. This system closely resembled the one presented to this committee by the preference group in May of last year, so we had little to add to it.

The power companies, proceeding on much different preference user load data, reacted with their own outline which they presented to the Bureau of Reclamation on October 1 and to the consumer group on October 13.

This outline differed substantially from our program, and from the earlier position of the power companies which contemplated a Federal backbone transmission system, with some distribution over reasonably available company lines.

On December 15, we advised the companies and the Bureau that we could not consider the outline as a firm proposal because "it did not contain definitive proposals regarding quantities, costs, or terms and conditions under which power would be wheeled or delivered to preference users." To date, we have received no definitive reply to our request for cost data.

By December it became obvious that independent engineering assistance would be valuable to us in evaluating further developments or programs. We were fortunate to secure the services of Harvey McPhail, formerly Assistant Commissioner of the Bureau of Reclamation. His survey is contained in the blue book, "Federal Transmission System for Colorado River Storage Project as Proposed by Preference Customers," dated March 1, 1960, which has been supplied to you. It is our answer to the request for factual information.

On January 19, 1960, E. O. Larson, director of region IV, Bureau of Reclamation, forwarded a letter to the power companies containing five principles by which the companies' presentation was to be evaluated. The five principles follow:

"1. Lines must be of sufficient capacity to assure delivery of available power.

"2. There must be no interference with the ability of the Bureau to serve preference customers to the extent they would be served by federally constructed lines.

"3. Backbone lines must provide suitable integration among Federal project power facilities at the time required to meet project objectives, and project use must at all times be the overriding consideration.

"4. Charges made for delivery of power must not adversely affect project feasibility and payout, and particularly must be such as not to reduce quantity or timing of irrigation assistance.

"5. If utilities construct the backbone high-voltage transmission lines, they must accept also the responsibility of providing transmission for delivery at lower voltages to load centers of preference customers to the same extent as would prevail under a federally constructed system."

A meeting was held on February 25 between the power companies and the Bureau when these principles and their effect on the companies' proposal was discussed.

A similar meeting was requested by the preference group and the principles were discussed in detail. As a result of this meeting, preference customers left this meeting with the following understandings:

1. No firm power will be available to the companies since preference demand is equal to project output.

2. The estimated power rate of about 6 mills at major load centers will repay both the power cost with interest and the irrigation portion of mainstem units, within 50 years, and still provide the full schedule of assistance to irrigation projects in subsequent years.

3. With the same rate, the Bureau could afford only as much in wheeling payments as will not adversely affect project repayment.

4. A Federal system would serve all project needs including full irrigation assistance. Any substitute system must serve not only these project needs for a repayment period of from 85 to 100 years but must also provide equal service to load centers of preference users, without adversely affecting power rates.

These, in our opinion, are excellent yardsticks. We believe that the burden of proof should lie with any proposed alternate system since it involves wheeling over company systems of public power beyond any existing contract period. We cannot gamble the future of the Colorado storage project on contracts to be written many years hence.

Full study should be given to the companies' proposal—but study should be based on hard facts and not on the immediate appeal of a lowered Federal investment or potential taxes which can only be added to preference customer cost. From these very customers must come sufficient power revenues to provide 91 percent of the total repayment, including irrigation assistance.

These major facts and others account for the recommendation of Colorado River Basin Consumers Power, Inc., for an all-Federal system. We are requesting this committee for the addition of $5 million to the transmission division for fiscal 1961 so that the Bureau can begin construction of a line from Flaming Gorge to Oak Creek, Colo., and a line from Glen Canyon to Curecanti via Farmington, N. Mex. This request is for lines which all interested parties agree should be built by the Federal Government and which will be required for any system built.

Obviously, this leaves great gaps in the total system required. We believe that other lines are of equal importance. It should be noted no interconnection is provided between Glen Canyon, Provo, Utah, and Flaming Gorge or between this system and the lower Colorado system (Phoenix and Glen Canyon), or the project and Bureau facilities in New Mexico (Farmington to Albuquerque), or the project and facilities in Wyoming (Flaming Gorge to Sinclair). A reasonable program would indicate the desirability of starting these lines also, which would require additional funds.

We appreciate this opportunity to present our thinking to this committee.

STATEMENT OF HOWARD SCOTT

Mr. Chairman and members of the committee, I am Howard Scott, manager of the Colorado Rural Electric Association of Denver, Colo.

The Colorado Rural Electric Association is pleased to appear before this committee to give our united support to the power transmission program for the Colorado River storage project outlined to you by Colorado River Basin Consumers Power, Inc.

We wish to fully support the recommended funds to initiate construction of the curecanti unit and the participating projects as recommended in the budget and by the Colorado Water Conservation Board, the Upper Colorado Commission, and the Governor of Colorado.

The 22 rural electric systems in Colorado serve about a quarter of a million people. Sixteen now purchase their power, either in whole or in part, from the Bureau of Reclamation. Cooperatives located in northeastern Colorado receive power from Bureau lines of the western division of the Missouri Basin while the others receive service through wheeling arrangements between the Bureau and the Public Service Co. of Colorado.

Four cooperatives generate their own power in a central steam plant; three others supplement their leased plant with purchases from municipal systems and the Bureau. In all, Colorado cooperatives have about 65,000 kilowatts of active generation capacity.

Some of the cooperatives have immediate need for additional capacity or wholesale power. Others will require additional power in about 1963, the scheduled date for Flaming Gorge power.

All of the Colorado rural electric systems will be needing additional power by 1965, so that total power demand will compound rapidly as project generation comes on the line.

Realizing the magnitude of this power demand and the importance of the Colorado River storage project to Colorado, the rural electrics of Colorado were instrumental in the formation of Colorado River Basin Consumers, Inc., a group which could represent them and other preference users in the area of the project.

We base our support of an all-Federal system, not on an assumption that a Federal system is somehow magic or a gift from Washington, but rather on what we believe to be good, sound economics and good business. We are convinced that an all-Federal system will best meet the requirements of the project and the needs of preference users. The Colorado River storage project vitally affects the future water development of the upper Colorad Basin area, and any power system should be designed to provide maximum assistance to this water development.

It is urgent that construction of transmission facilities begin this year. Project construction has been underway for several years and delivery facilities must be available when project generation begins. We are about 1 year behind in all matters affecting the transmission division of the project. If construction is delayed another year, it will result in an uneconomic crash program to catch up.

We urge that at least $5 million be made available in the appropriation for fiscal 1961. This minimum sum covers the lines from Flaming Gorge to Oak Creek, Colo., and the Glen Canyon-Farmington-Curecanti-Poncha segment, which all parties have agreed should be constructed by the Federal Government.

We believe the other lines of the project, those to interconnect Glen Canyon, Provo, Utah, and Flaming Gorge, Flaming Gorge and the Bureau facilties in Wyoming, Farmington and the Bureau facilities in New Mexico, and the storage project system with the lower Colorado system, are of equal value.

We are urging that this committee, by suitable language in the bill or otherwise, make it clear that a Federal system be contemplated for construction and that the Bureau of Reclamation be instructed to proceed with the necessary engineering studies so that it can include in its future budget presentations the necessary funds and the specific lines to be built to meet power production and market requirements. Whatever system is built, it must be paid for by the ultimate customer. Conservative load data now conclusively demonstrates that preference users in the Colorado River Basin can at all times absorb all project power. We have a critical interest in the charge that must be paid by our customers.

Even with an all-Federal system, the estimated cost of wholesale power at a limited number of load centers, is 6 mills. The projection of power to be sold in just 50 years, at 6 mills, will cost preference users $1,700 million wholesale. Every additional mill of cost at wholesale would be $5 million per year or a quarter of a billion dollars in just 50 years—and the utimate period of the project will run nearly 100 years.

Equally, any reduction in this basic return to the Government for this power will take just as much away from project repayment or from assistance to participating projects. Thus, what might be listed as a small cost or repayment difference has an uncanny way of multiplying into millions of dollars in proper context.

This puts bone and muscle on our support of a Federal interconnection system. A Federal system will have but one purpose—one master to serve and and that will be the project. It will require a minimum of contractual relations

with other utility systems, yet it will insure delivery to users having a preference by law. Any joint system will involve a myriad of contractual relations and precise but complex electrical arrangements. We feel that only a system based solely on the needs of this complex project stretching over several States is equal to the task.

By this, we do not mean that there is no place for other utility systems. The investor utilities of the Colorado River Basin have maintained an interest in this project since its inception. They then advised the Congress that they would participate in transmitting project power to ultimate preference users from a Federal backbone transmission system. This offer has since been modified to include, under as yet undefined conditions, certain company portions of the backbone system.

The outline of this proposal shows little company line in Colorado and virtually no Federal line in the other States of the Colorado River Basin.

We believe that any proposal should bear the burden of proof that it will serve project purposes, irrigation assistance, and preference users as well as a Federal system. Congress itself took this position in the authorizing report (H. Doc. 1087, 84th Cong.) which stated:

"Their (the companies') proposal provides essentially that the Secretary construct the backbone transmission lines connecting major powerplants of the project and that use be made of the existing system of the companies and additions thereto to market the power.

"The proposal is consistent with the policy expressed by the Congress for many years in appropriation acts and elsewhere whereby the Federal Government builds the basic backbone transmission system and distribution is made through existing systems where satisfactory arrangements can be worked out.

"Therefore, the committee expects the proposal by the private power companies for cooperation in the development to be carefully considered by the Department * * * and the electric power and energy of the project to be marketed, so far as possible, through the facilities of the electric utilities operating in the area, provided, of course, that the power preference laws are complied with and project repayment and consumer power rates are not adversely affected."

This is not a casual concern on our part. Following this congressional mandate, the Bureau of Reclamation has been studying the most recent proposal submitted by the investor group on October 1, 1959. To provide guidelines in this comparison, the Bureau forwarded to the investor group a five-point policy statement [1] which we believe of such importance as to include in full:

"1. Lines must be of sufficient capacity to assure delivery of available power.

"2. There must be no interference with the ability of the Bureau to serve preference customers to the extent they would be served by federally constructed lines.

"3. Backbone lines must provide suitable integration among Federal project power facilities at the time required to meet project objectives, and project use must at all times be the overriding consideration.

"4. Charges made for delivery of power must not adversely affect project feasibility and payout, and particularly must be such as not to reduce quantity or timing of irrigation assistance.

"5. If utilities construct the backbone high-voltage transmission lines, they must accept also the rsponsibility of providing transmission for delivery at lower voltages to load centers of preference customers to the same extend as would prevail under a federally constructed system."

On December 15, 1959, the preference users, through the then existing Upper Colorado Basin Preference Users Committee, advised the investor group and the Bureau that they could not consider the companies' outline as a firm proposal because "it does not contain definitive proposals regarding quantities, costs, or terms and conditions under which power would be wheeled or delivered to preference users."

We have not as yet received any definitive answer or costs from the investor group. In Colorado, our only measure of what might be proposed is the wheeling toll now imposed—1 mill per kilowatt-hour for each 50 miles—a charge certainly not in keeping with the five principles stated above.

To briefly summarize the position of the Colorado rural electrics:

1. The Colorado River storage project is designed to develop the water resources of the Colorado River available to Colorado, New Mexico, Utah, and

[1] Letter from E. O. Larson, director, U.S.S.R., region 4, to E. M. Naughton, Utah Power & Light Co., Jan. 19, 1960.

Wyoming. Even though power revenue will provide 91 percent of project repayment, water development must at all times be the overriding consideration.

2. Our studies support an all-Federal backbone transmission system because it will serve these project needs, plus providing the maximum integration of this power system with other Federal power systems thereby resulting in full advantage of diversity of power loads, water flows, and system control.

3. A Federal backbone grid will also do much to smooth out the problems incident to the filling of Glen Canyon Reservoir by providing the best combination of water levels and power production at downstream plants as well as at Glen Canyon.

4. Construction should be initiated in fiscal 1961 on as much of the Federal system as possible to avoid an uneconomic crash program later and to insure delivery capacity in place when project generation begins, even though this will require an appropriation not contained in the budget request.

5. Study should continue on the balance of system lines under the clear policy stipulations of the Congress and the Bureau which require that project needs must be paramount.

The Congress and the people of the area supported this vast and complex reclamation project to bring overdue development to a great area. It should not now be used for private gain or partisan advantage.

We appreciate this opportunity to present our thinking to this committee. We pledge our continued effort to meet problems which may arise with a cooperative spirit.

STATEMENT OF HAROLD CASH

Mr. Chairman and members of the committee, my name is Harold Cash. I am president of the Wyoming State Rural Electric Association. My directors have authorized me to submit this statement supporting the testimony given by Mr. Harvey McPhail of the Kuljian Corp. and the Federal Transmission System as proposed in the report made by the Colorado River Basin Consumers Power, Inc.

I represent the 15 rural electric systems in the State of Wyoming, serving 26,000 member-consumers along over 16,000 miles of line. Thirteen of these receive their power from the Federal dams located within the State. Another one (Bridger Valley at Mountain View) will use Federal power upon the completion of Flaming Gorge.

Except for a few instances this power is transmitted over Federal lines to load centers within reaching distance of the cooperative. This arrangement, with the reasonable cost of Federal power, has brought about the electrification of 92 percent of the farms and ranches within the State of Wyoming.

Future load studies indicate that by 1963 we will be facing a power shortage from our present Federal sources. Naturally, with the development of the upper Colorado River, we are looking forward to postponing this situation by getting some power from that development via a Federal transmission line from Flaming Gorge connecting with the Bureau lines near Sinclair, Wyo. This line would connect the upper Colorado with the Missouri Basin grid, providing for greater diversity.

Knowing that the Bureau of Reclamation has received, and at the present time is studying, proposals made by five major power companies to build a part of the upper Colorado transmission system; knowing that there is a part of the transmission over which there is no controversy (namely: Flaming Gorge to Oak Creek and Glen Canyon to Curecanti); also knowing that in order to utilize the power as it becomes available, transmission lines must be started immediately.

Therefore, the rural electric systems in the State of Wyoming urge this committee to recommend, and the Congress of the United States to appropriate, the necessary funds to start immediate construction of these two lines, as a start for a wholly Federal transmission system.

STATEMENT OF W. BERRY HUTCHINGS

Mr. Chairman and gentlemen of the committee, my name is W. Berry Hutchings. I am president of the Intermountain Consumer Power Association. Representative director for Utah and vice president of Colorado River Basin

Consumers Power, Inc., formerly appearing before this committee as Upper Colorado River Preference Users Committee. I am manager of Bountiful City Light & Power for the city of Bountiful, located 10 miles north of Salt Lake City, Utah.

Intermountain Consumer Power Association was incorporated under Utah State law the 11th day of May 1957 at Salt Lake City, as a voluntary nonstock, nonprofit organization for the purpose of rendering to the consumer owned and operated electric light and power utilities of the municipalities and rural electric cooperatives within the State of Utah, such services as may be beneficial and desirable and in their best interest. To aid and advise in procurement of electric power and energy for the members and their respective customers. To advise and assist in the constant struggle to survive under the shadow of the private power monopoly that exists within our State.

Utah has a total of 35 municipally owned and operated light and power systems and 4 Rural Electrification Association systems within its State boundaries.

They are as follows:

Beaver City, Beaver County
Blanding City, San Juan County
Bountiful City, Davis County
Brigham City, Box Elder County
Ephraim City, Sanpete County
Fairview City, Sanpete County
Fillmore City, Millard County
Heber City, Wasatch County
Helper City, Carbon County
Holden City, Millard County
Hyrum City, Cache County
Kanosh City, Millard County
Kaysville City, Davis County
Lehi City, Utah County
Logan City, Cache County
Manti City, Sanpete County
Mantua City, Cache County
Meadow City, Millard County
Monroe City, Sevier County
Monticello City, San Juan County
Morgan City, Morgan County
Mount Pleasant City, Sanpete County
Murray City, Salt Lake County
Nephi City, Juab County
Oak City, Millard County
Parawan City, Iron County
Payson City, Utah County
Perry City, Box Elder County
Price City, Carbon County
Provo City, Utah County
Salem City, Utah County
Spanish Fork City, Utah County
Spring City, Sanpete County
Springville City, Utah County
St. George City, Washington County

RURAL ELECTRIFICATION COOPERATIVES

Escalante Power Association, Beryl, Iron County.
Flowell Electric Association, Fillmore, Millard County.
Garkane Power Association, Richfield, Sevier County.
Moon Lake Electric Association, Vernal, Uintah County.

The combined population served by this group is over 200,000. The present power requirement exceeds 100,000 kilowatts of demand and more than 450 million kilowatt-hours of electrical power yearly. Of this amount approximately 50 percent is purchased from private utilities at costs well above national average.

Due to the very rapid rate of growth, both in population and power consumption, also the continued increase of power costs, we are therefore seeking additional sources of economic power to meet and fulfill our needs.

The Intermountain Consumer Power Association turned their attention and full support toward the full development of the Colorado River storage project.

We greatly appreciate the honor and privilege of meeting with this committee to present the views of the association.

ECONOMICS

The association's first concern is: "The ability of the project to pay back to the U.S. Treasury the funds, plus interest, used to develop same."

The investment necessary for generation has been determined. Also a tentative cost per kilo-watt hour has been established which is required in order to pay back this investment with interest. The problem at hand now is who should make the investment and control the carrier necessary for marketing the power generated.

Our views on this are: The preference load requirements of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming are large enough to absorb the entire production of power on the Colorado River project at all phases of development.

We accept the fact that a tentative cost of 6 mills has been established for the firm power. We, as preference customers, realize that the greatest return of moneys to the Treasurer will be derived from the sale of firm power. We are in the market for allocation of this power.

It is conclusive that there will be no power available to private power utilities. We are amazed that they should offer to make staggering investments in transmission lines for wheeling purposes only. We cannot see where it is possible for them to expend large sums of money for this service without operating at a great loss, that is, if their cost for wheeling is maintained the same as is proposed in the federally owned system. The loss may mean very little to the private utilities, because it would be very elementary for them to hide the deficit in their systems financial report and the loss load would be carried by other ratepayers in elevated rates.

It is our conviction that the earliest financial repayment of this project, and to accumulate the largest amount of surplus funds at the earliest possible date to aid in development of other practicipating projects can only be achieved through the development of a federally owned transmission system.

OPERATION

We are seriously concerned and alarmed in regard to the handicaps and hardships that will exist through private utility development of transmission lines.

It is clear and apparent that a utility developed transmission line will be designed for the sole use of the utilities need in mind. It will establish a definite tollgate which would impose additional costs and impair flexibility needed for an orderly project operation.

As has been called to your attention, by others, there is a valuable opportunity in the development of this project to interconnect major market areas and other basin projects which would permit diversity of power relative to seasonal load demands, time zone differences, also watershed characteristics and conditions. It would be difficult to put a price tag on the value of taking advantage of these opportunities. It is obvious, however, that there is a tremendous value that can be attained only through a system owned and operated by the same controller, the Secretary of the Interior.

Such advantages have been foreseen by Congress as is shown in section 7, Public Law 485, 84th Congress, stating as follows:

"The hydroelectric powerplants and the transmission lines authorized by this act to be constructed, operated, and maintained by the Secretary shall be operated in conjunction with other Federal powerplants, present and potential, so as to produce the greatest practicable amount of power, and energy that can be sold at firm power and energy rates."

SUMMARY

The Intermountain Consumer Power Association members urge that the Federal Government construct the entire transmission system that is required for the Colorado River storage project.

It is the unanimous opinion of the group that the Federal system will:

(1) Bring a cheaper source of power to the ultimate users.

(2) Establish within Utah a competitive condition which does not now exist.

(3) Permit diversity of power between basin projects as well as between preference users of different areas.

(4) Establish a single owner and controller of generation and transmission that will give maximum efficiency resulting in the greatest benefits and quickest possible money return to be used on participating projects.

(5) Result in a marketing system that can be readily extended and interconnected with future projects.

The members of our association have been unimpressed with the private utilities plan because of its inadequacy in fulfilling the intent of Congress when they authorized the Colorado River Project Law 485. We believe that only a Federal transmission system can meet the principles set forth by the Bureau of Reclamation on January 19, 1960, which are as follows:

(1) Lines must be of sufficient capacity to assure delivery of available power.

(2) There must be no interference with the ability of the Bureau to serve preference customers to the extent they would be served by federally constructed lines.

(3) Backbone lines must provide suitable integration among Federal project power facilities at the time required to meet project objectives, and project use must at all times be the overriding consideration.

(4) Charges made for delivery of power must not adversely affect project feasibility and payout, and particularly must be such as not to reduce quantity or timing of irrigation assistance.

(5) If utilities construct the backbone high-voltage transmission lines, they must accept also the responsibility of providing transmission for delivery at lower voltages to load centers of preference customers to the same extent as would prevail under a federally constructed system.

CONCLUSION

We are mindful of the many responsibilities of this committee and the many problems and requests you receive. We are regardful of the importance of economic investing of public funds. This is also one of our responsibilities as public servants and we are in accord with your endeavors to invest only for the development of projects that are self-supporting.

We therefore urge your favorable consideration to the request of this association to appropriate at least $5 million, to be made available for fiscal year 1961 to initiate orderly and efficient construction of the transmission lines running from the Flaming Gorge terminal station to Oak Creek, Colo., and from Glen Canyon to Farmington, N. Mex., thence to Poncha Junction via Curecanti.

The members of the Utah association recognize that for them to participate in the advantages of the Federal system it will be necessary also to start the balance of the transmission lines.

Therefore we respectfully request this committee to direct the Bureau of Reclamation to proceed immediately with the necessary engineering studies, right-of-way acquisitions, and initial construction of the lines from Flaming Gorge to Provo, Utah; Provo to Glen Canyon; Flaming Gorge to Sinclair, Wyo.; Glen Canyon to Phoenix, Ariz.; and from Farmington to Albuquerque, N. Mex.

Delaying the development of the Colorado River storage project in this important aspect will further delay the realization of the return of the investment and the funds necessary for the development of present and future participating projects.

We thank you for your time and attention.

STATEMENT OF NORTON DAVIS

My name is Norton Davis. I am manager of the Plains Electric Generation and Transmission Cooperative at Albuquerque, N. Mex., and have been a member of the Upper Colorado River Preference Users Committee which has previously appeared before this committee. Recently there has been organized the Colorado River Basin Consumers Power, Inc., which is designed to promote the maximum use of Colorado River project power and to represent the interests of the preference users. I am now serving as treasurer for this organization.

The Plains Cooperative is composed of 11 member cooperatives and serves more than 50 percent of the total area of the State of New Mexico. Due to the almost phenomenal growth and development of the area served by it, resulting from oil, gas, and uranium activities, as well as increased pumping and irrigation, the demands for electricity have grown at such a rate that the situation is rapidly becoming critical.

Since 1955, which was the first full year of operation, the demands have increased at an average of 12½ percent annually, compounded; in fact, have practically doubled in this 5-year period, and from present estimates it appears that this rate of increase will continue or even accelerate over the next 5- to 10-year period.

It is of the utmost importance, then, to us and to the area which we serve that we have an immediate understanding concerning the development of the Colorado River storage project—the amount of power to be anticipated, the cost, and the availability of transmission facilities. It is practically impossible to make long-range plans until at least these basic facts are known.

In reviewing the hearing before this committee, both before and after the authorization of the Colorado River storage project, it appears that the private power companies operating in the project area have always been willing to

construct transmission lines necessary to take the power at the generating plant, and in view of the relatively small cost of the transmission lines as compared to the cost of construction of the dams and generating plants, this is not surprising, especially since they would reap practically all of the benefits of the much larger investments.

However, while all proposals profess a willingness to provide space for preference customers, no price has ever been quoted, and all proposals seem to be based on the assumption that preference users will require only a small percentage of project power. Further, they seem to be designed so as to prevent the Bureau of Reclamation from constructing an integrated system for the distribution of project power.

We do not mean to criticize the principle so often announced by this committee that cooperation between the Bureau of Reclamation, REA cooperatives and private power companies in the utilization of available transmission facilities is highly desirable and beneficial, but we do believe that the systems must be interdependent; and that if the transmission of project power is wholly dependent on privately owned transmission lines in any segment, then the ability of the Bureau of Reclamation to transmit power out of the project would be in jeopardy. As a result, the feasibility of the project and the ability of the Bureau to protect preference rights would be impaired, which would, in our opinion, violate project authorization.

There are load estimates before the committee which show that the needs of preference users in the project area are sufficient to take all of the power generated as soon as it is available.

We believe that the construction of the backbone transmission line as proposed by the Kuljian Corp. is essential to the project and to the protection of the preference users.

Insofar as New Mexico is concerned, we are now connected to the Bureau of Reclamation Rio Grande system at Albuquerque and, by the construction of the initial segment of transmission lines from Glen Canyon to Pueblo (including the extension from Farmington to Albuquerque) as recommended in the report of Mr. Harvey McPhail of the Kuljian Corp., and which all parties agree is necessary, we would be in position to plan a future program looking toward a full use of project power allocated to us.

There has been proposed an appropriation of $5 million for immediate construction and an additional $5 million for future construction and planning. We should like to urge the consideration of this committee to this proposal; and further urge the committee to direct the Department of the Interior to make available to the public the amount of power available and the cost at the various load centers.

If this is not done immediately, either we shall run the chance of leaving a large area without essential requirements of power, or we will be compelled to install additional facilities, which may, in many instances, be duplicating, and may also render the use of project power unfeasible except on a standby, or peaking basis.

The full use of project power is beneficial, not only to us but also to the project itself.

STATEMENT OF PHILIP N. SANCHEZ

My name is Philip N. Sanchez. I am president of the board of trustees of the Plains Electric Generation & Transmission Cooperative, Inc., at Albuquerque, N. Mex., and am also one of the organizers and a member of the board of trustees of the Mora-San Miguel Electric Cooperative located in northeastern New Mexico.

The Mora-San Miguel Electric Cooperative is a distribution cooperation and was one of the first organized in the State. It was originally organized in 1941 and commenced operations in 1946. At the time we commenced operation we were dependent for our source of power upon a privately owned utility operating in this area and were so dependent until the commencement of operation by Plains Electric Generation & Transmission Cooperative, Inc., in 1955. During all of the time in which we were dependent upon this private utility for our source of power, we were continually harassed and our growth and development hampered by reason of the apparent unwillingness of the private utility to

make available adequate power at reasonable rates. Our average wholesale rate for the purchase of power was 1.7 cents and we were continually threatened with curtailment or disconnection of power supply. I mention these facts only because we are sometimes inclined to lose sight of the difficulties encountered by rural cooperatives in attempting to make power available in areas where they are completely dependent upon a private power company for their source of power. It has been our experience that the primary purpose of the private utility has been to establish and maintain a power monopoly and that the needs of the customers and the welfare of the area served are of secondary importance.

Since the organization of the Plains Electric Generation & Transmission Cooperative, Inc., and since power has been available from this source our cooperative has more than doubled its power requirements and economic development in the area as a result of availability of power and decreased costs. This has contributed immeasurably to the welfare of the people in the area served.

The Plains Electric Generation & Transmission Cooperation, Inc., serves 11 member cooperatives in the State of New Mexico, consisting of the—

Otero County Electric Cooperative, with headquarters at Alamogordo, N. Mex.;

Columbus Electric Cooperative, with headquarters at Deming, N. Mex.;

Sierra Electric Cooperative, with headquarters at Truth or Consequences, N. Mex.;

Socorro Electric Cooperative, with headquarters at Socorro, N. Mex.;

Continental Divide Electric Cooperative, with headquaters at Grants, N. Mex.;

Jemez Mountains Electric Cooperative, with headquarters at Espanola, N. Mex.;

Northern Rio Arriba Electric Cooperative, with headquarters at Chama, N. Mex.;

Central New Mexico Electric Cooperative, with headquarters at Mountainair, N. Mex.;

Kit Carson Electric Cooperative, with headquarters at Taos, N. Mex.;

Springer Electric Cooperative, with headquarters at Springer, N. Mex.; and

Mora-San Miguel Electric Cooperative, with headquarters at Mora, N. Mex.

In most of the area served, covering more than one-half of the whole State, the needs for power are increasing at such a rate that it is imperative that an immediate determination be made as to how the additional power requirements are to be served. We in the Plains Cooperative have made extensive studies in order to try and determine what method of approach to use in solving the power problem. We have participated actively in the planning program of the Upper Colorado River Preference Users Committee in order to determine to what extent power could be made available to New Mexico, and particularly to us as preference users under the Colorado River storage project. We have always supported the program of the Bureau of Reclamation in recommendations made to Congress for the construction of backbone transmission lines necessary to the distribution of project power and to the protection of preference customers as contemplated under the act. We believe that the recent report of the Kuljian Corp., outlines the basic requirements necessary for this purpose.

We strongly urge that in the consideration of any proposal that the Bureau of Reclamation be given the ability to transmit power out of the project and to protect the preference users without dependence upon transmission facilities provided by private power companies, as experience has shown that dependence upon private power companies for the source of wholesale power does not permit adequate service.

Much has been said in the proposals made by the private power companies looking toward the construction of vital segments of transmission systems with respect to savings in construction costs and in taxes which would be paid by the private power companies. We do not believe either to be valid arguments—first, because the savings in construction costs would be more than offset in wheeling charges, and, second, the taxes paid would be merely added on as a part of the cost of power to the preference users or ultimate customers.

Besides, there is the very real possibility that the availability of power to the preference customers may be curtailed or even stopped by reason of the lack of capacity in the lines, which are primarily designed for the use of the power companies owning them.

Since it is obvious from the information presented to this committee that the needs of preference users in the Colorado River Basin States, including New Mexico, are more than sufficient to absorb all of the power generated under the project, the ability to transmit the power over owned or controlled lines is of the utmost importance.

Insofar as New Mexico is concerned, if full use is to be made of the portion of the project power allocated to it, an immediate determination must be made, not only that the State is entitled to preference power and the amount of the allocation, but also that transmission facilities are such as to insure the delivery of power to it as a preference customer. In addition, since we are already connected with the Bureau of Reclamation Rio Grande River project at Albuquerque, N.M., the construction of that portion of the line from Glen Canyon to Farmington and to Albuquerque would considerably increase the value of this system as a power source in the area and would enable us to plan our power development in such a way as to make full use of project power.

Mr. CANNON. Mr. Jensen?

ROLE OF PRIVATE AND PUBLIC POWER

Mr. JENSEN. Mr. Chairman, I wish to commend Mr. McPhail for his presentation.

Mr. McPhail was an engineer for the Bureau of Reclamation for many years. This is the 18th year I have sat on this committee and we have considered these transmission requests and other requests for the development of great areas in our country.

It must be remembered at all times, when expenditures are requested for transmission lines or a request is made for the Federal Government to build transmission lines that when we spend such money for transmission lines we are doing so in competition with private industry, which pay local, State, and Federal taxes.

Private utilities are paying now over a billion dollars a year into the Federal Government from power revenues. They are paying in local, State and Federal taxes approximately a billion dollars for the upkeep of schools, roads, and everything that needs tax money.

We have a law which provides that where private utilities and other power-producing and transmission facilities are adequate to furnish power to preference customers or will agree to build such power producing and transmission facilities and will wheel the power from Federal power projects to preferred customers at a reasonable rate, then in effect the law provides that the Congress is not justified in making such appropriations for such facilities. That is known as the Keating amendment to the Reclamation Act.

Of course, the Congress must comply with the law.

The power companies, I understand, in this area have submitted a proposition to build some transmission lines in this area.

I do not know what the contract provides. I might say that I have in the past felt it necessary to tie Federal power projects together in order to get the full benefit of the integrated system.

I do, however, Mr. Chairman, hope that because of the terrific cost of this project, which amounts to over a billion dollars for the completed project, that the Bureau of Reclamation will give full consideration to the proposition which is made by the private utilities.

As I said, I don't know what the contract provides or the proposition that they have made provides, but without a doubt they are anxious, willing and ready to build the powerlines, other than those which the Federal Government is responsible to build.

I might say the Secretary of the Treasury, Bob Anderson, appeared before this committee on January 20 and he explained the great need for economy in Government in order to keep the American dollar stable.

We are in a rather precarious position right now, I may say, as Mr. Anderson pointed out.

We had best not spend money where we need not spend it or the day may come, and sooner than most of us know, when our dollar will be greatly reduced in value.

So let us work together, the Federal Government and private industry, as we are in many States of the Union in order that sufficient power and transmission facilities may be provided for the people without any more Government expense than is absoluetely necessary.

I am sure there are a lot of businessmen in this room right now who realize the great tax burden that is now falling on the shoulders of the American people.

As a member of this committee, I feel it my duty to say what I have just said. Let us work together and let the private utilities build the lines that they should build and let the Federal Government build the lines they should build.

Let the REA's build the lines they should build.

There are some folks who think that all power should be owned and all transmission lines should be owned by the Federal Government.

I presume there are others who feel that private utilities should own all of them. I am not a member of either school. I think it is a matter that must be divided up in a cooperative proposition in order that we may do justice to the taxpayers of America and to the people generally, in every area.

It is working well in many sections of this country. We have a cooperative program going on in the State of Texas, which our great Speaker, Mr. Rayburn, assisted in bringing it about. It is working well as it is in many other areas. I only plead with you to give the private utilities the opportunity to present their case fully. If you feel their proposition is not good enough, tell them so and I am sure that they will want to do the right thing in this matter of transmission facilities in your area.

That is all, Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. It is like old times seeing Mr. McPhail before a few of us on this committee.

Mr. CANNON. May I say that the private utilities of the country have no better friends than the members of this committee, and that means all the members of this committee. They have had a part in the development of the Nation and the national economy and industry of the last century. And this committee has cooperated with them and no private utility in all the years I have been a member of this committee has suffered any disadvantages by any action of this committee. So far as I know, not a member of this committee has at any time advocated control of the production and distribution of power by the Federal Government.

We believe that the bulk of the business of production and distribution of power should be in the hands of private industry but we do

believe that we should at the same time preserve, through the Government, cooperative development of these facilities which will act as a yardstick in measuring the charges of the private utilities to the consumer.

As Mr. Jensen has well said, these private industries have paid vast sums of money into the U.S. Treasury in the form of taxes, but it is to be remembered that always they got that money from the consumer and that in getting this money from the consumer to pay these taxes, they have taken from the consumer $2 or $3 for every dollar they paid in taxes.

Our first interest is in the consumer. We are interested in his protection. We want the private utilities to take the full value of the service they render, but we do not want any profiteering. We must have this cooperative yardstick in order to prevent profiteering.

As has been said, the private utilities represent private enterprise in this country. They did, and perhaps in some instances they do now, but as has been noted in the last decade, there has been an alarming consolidation, merging, the very thing Thomas Jefferson warned us about, the merging of vast units of industry into one huge monopoly, one huge electric trust against whose decision there can be no appeal by the private consumer. The private consumer can go to his Congressman or can go to his administration and protest in all of these Government installations if the charge is too high or if the service is inadequate but he cannot protest once it is in the hands of one big trust.

Once the monopoly takes over he has no recourse.

As has been said by Mr. Jensen, this is a vast amount of money to spend. The cost of these Government installations which we are considering here is huge but they pay back to the Government with interest every dollar of it. that relates to public power.

In addition to that, of course, we provide for conservation, we provide for irrigation, we provide for flood control, we provide for many incidentals, which pay for themselves, obviously.

We are very anxious for private industry to have every opportunity to grow and to work and to prosper and every year in which this committee has recommended to Congress appropriations for public power the private utilities have grown, both in volume of business and in returns upon their investment. This committee is the friend of the private utilities.

The gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, it must be said that we have the Sherman Antitrust Act, which forbids these great combines from being instituted. I must say that I have never felt, nor been sold on the idea that there was a great Power Trust. Naturally, the private power companies do everything they can to carry on their business. The officers of the private companies are only hired men of millions of shareholders in the power companies.

There is another thing: The people in an area that are benefited by these cheaper rates that are made possible under a Federal power producing system pay rates which are commensurate with the cost of the power and hence the people of the whole Nation do not pay a part of the power rates, which, as the chairman says, are all paid for over a period of maybe 50 years when private utilities build the projects, build the transmission lines, they then charge a rate to the people in

those areas which is necessary to pay the bill and hence the people in the area that benefit from these projects and these transmission lines which private utilities build pay the bill, Mr. Chairman, and the rest of the people of America have no expense to that enterprise, so it must be said again that where private enterprise builds the line, the users who benefit from those power rates pay all the bill, instead of all the people in America.

Thank you.

Mr. CANNON. The gentleman's eyes have been closed in the past 10 years if he says they are not combining into a great trust.

Take my State, for example. Within the last 10 years we had half a dozen private utilities.

They all now are part of one outfit and they have done everything they possibly can to destroy public power. They have brought suits in the courts in Missouri and they have carried those suits on up to the Supreme Court, attempting to destroy our REA and our public power cooperatives.

They have made every effort to take over and on every possible occasion have taken over municipal ownership. They are opposed to TVA, REA, and municipal ownership. Why? Because those TVA, REA, and municipal ownerships provide service for the consumers at a reasonable rate and the trust cannot profiteer on the consumer because right before them is REA and TVA and municipal ownership providing the same service at a reasonable price.

Why, in the 83d Congress, and the gentleman was a member of this committee and chairman of this subcommittee in that Congress when the Government repudiated a solemn and binding contract which these cooperatives had with the Southwestern Power Co. They said to the cooperatives "You go buy your power somewhere else," and when they went to these private utilities to buy the power, the power trust said, "Certainly we will sell it to you," but at a rate which, within 2 years, would have destroyed the cooperatives. It was only when we in this committee in the next Congress again compelled the Government to carry out the contract it had made to furnish power to the cooperatives through the Southwestern Power Co., compelled them to resume their contract, that we were able to save the cooperatives in the State of Missouri. All you have to do is to recall what has happened in the last few years in your own neighborhood.

All this committee wants to do is to protect REA, protect municipal ownership against the power trust, which is trying to absorb and destroy them. We want the private utilities to go ahead. We want them to handle the bulk of this business of production and distribution of electric power but we want to retain the yardstick of the cooperatives and TVA and municipal ownership because we realize that once the Power Trust holds all of the production and distribution of electric power in its hands, it will raise rates just as it did in the 83d Congress.

You must remember, my friends, that electric power is now one of the essentials of existence—it is second only to light, air, water and heat; in the economy of the householder and in the economy of the plant and factory and in the economy of the Nation it is indispensable and we cannot afford to allow any one great giant trust to monop-

olize it and charge extortionate prices for it. Our fight in this country today is against monopoly, against mergers on which Thomas Jefferson warned us. These yardsticks protect us against monopoly that would control the necessities of life and establish, as Roosevelt said, "an economic royalty in this country which would exact tribute from every citizen in the land every month when he paid his electric bill."

The gentleman from Pennsylvania.

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. FENTON. I would like to get five cents' worth in here.

Mr. JENSEN. I thought I had made my position very clear when I said that I belong to the school of thought that feels that we should work together, that there is a place for Federal power, private power, municipal and REA power.

Mr. CANNON. You and I have worked together for both of them.

Mr. JENSEN. We certainly have.

Mr. CANNON. Except in the 83d Congress.

Mr. JENSEN. In the 83d Congress didn't we appropriate money for the REA to the tune of over $6 million in the Southwest power area so they could live?

Mr. CANNON. Yes? You also abrogated the contract in my State, with my cooperatives, a solemn and binding contract they had with Southwestern Power and the Government. You abrogated it and compelled them to go to the private utilities and the private utilities charged them such a rate that every one of them would have died within a year. None of them could have paid out the next year had we not come in.

Mr. JENSEN. The record will show just the opposite.

Mr. CANNON. Just consult the hearings—all you have to do is consult the hearings.

Mr. JENSEN. I have not been blind for the past 10 years. The record proves that I have had my eyes wide open and if such a condition as you say——

Mr. CANNON. You have always made speeches like you made this morning.

Mr. JENSEN. Yes, I have; and I will continue.

Mr. CANNON. In behalf of the private utilities.

Mr. JENSEN. I will continue to make them so long as I live. I believe in private enterprise from the peanut vendor on the corner to the largest honest corporation and farming——

Mr. CANNON. The power trust does not believe in private enterprise. The power trust believes in destroying private enterprise.

Mr. JENSEN. Oh, now, wait a minute. Farming is the greatest private enterprise in America today and, believe you me, I know that the people generally want private enterprise to operate full steam ahead, with proper safeguards.

Mr. CANNON. The power trust does not want it to operate. The power trust wants to control the whole thing.

Mr. JENSEN. You know that we members of this committee have seen to it that private enterprise stays within due bounds and that the Federal Government has been and is used for a yardstick, just as

you have explained, Mr. Chairman, to see to it that no one takes advantage of the consumers of private power in America.

Mr. CANNON. Yes. This committee ought to be proud of its record in that respect.

Mr. JENSEN. Absolutely, we should.

Now, I am sure if you, Mr. Chairman, would write a program for America in this instance that we would not be too far apart.

Mr. CANNON. I certainly agree with you, that we would be for the private utilities handling the bulk of the work, but in order to preserve the yardstick and the peanut vendor on the corner, we must have public power, just enough of it to protect the consumer.

Mr. JENSEN. If there is a better friend of REA than Ben Jensen, I would like to know where he is.

Mr. CANNON. The gentleman knows I have the warmest personal regard for him. I am very fond of the gentleman. It has been my privilege to serve with him on this committee. I consider him not only a splendid man, but I consider him a great statesman.

Mr. JENSEN. That is mutual, my friend, and thank you for the compliment.

Mr. CANNON. The gentleman from Pennsylvania.

Gentlemen, we are late. If there is no objection, we will proceed with the hearings.

Mr. FENTON. Mr. Chairman, I have been trying to get my five cents' worth in for some time.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. Mr. McPhail, what is the total electric production in that whole area?

Mr. MCPHAIL. At the present time you mean, Doctor?

Mr. FENTON. Yes.

Mr. MCPHAIL. I am sorry I cannot answer that. I would be glad to furnish that information for the record.

Mr. FENTON. I believe it is something like three and a half million kilowatts.

Mr. MCPHAIL. I would suspect that is fairly reasonable.

Mr. FENTON. What do you contemplate is the total from this project?

Mr. MCPHAIL. Presently authorized units would produce roughly 1,200,000 kilowatts.

Mr. FENTON. Then you will have at least one-third of the production of the electricity in that area?

Mr. MCPHAIL. As of today, assuming the 3½ million kilowatts is right, about one-fourth when we add this in.

(The following additional information was later furnished to the committee by Mr. McPhail.)

In response to your question, Dr. Fenton, the present peakload in the five State area is somewhat in excess of 4 million kilowatts. By 1970, when the major part of the project capacity is developed, it will probably be somewhat in excess of 10 million kilowatts. The project hydroelectric capacity will then represent about one-tenth of the capacity in the area.

Mr. FENTON. Do I understand this report to say that the preference cutomers will utilize all of this electricity?

Mr. MCPHAIL. Yes, sir; if Arizona is included in the marketing area, we have no doubt that they will.

Mr. FENTON. They object to private industry constructing transmission lines?

Mr. MCPHAIL. They object to it in this case, Dr. Fenton. They feel that the Bureau of Reclamation, in order to achieve the maximum revenues to pay this project out and also to give the lowest rates to the users should not have the lines of private utilities interposed between its various systems and thus lose the benefits which can be gained by the diversity in loads between areas, the diversity in waterflows in different watersheds and things of that nature.

Mr. FENTON. Is there an obligation to give them the lowest cost power?

Mr. MCPHAIL. In this case, Doctor, it does not appear that this is going to be low cost power such as we associate with Grand Coolie and Hoover Dam. This rate is not going to be much below the cost at which power could be developed by large thermal plants.

Mr. FENTON. Something has been said here about big industry and big corporations eating up or absorbing the smaller units, like public power and that sort of thing, including municipal power.

As a matter of fact, I think it is just the reverse, is it not, particularly out in the Northwest where private power people are constantly being harassed by public power people, having people vote to get out of this system and go into the public system.

Is that right?

Mr. MCPHAIL. I don't think I can agree with that. Taking the information which appears in technical magazines, which are admittedly proutility, I think they claim that the movement has not been toward public power. I have seen listed several times, results of votes in various areas claiming to show that the majority of votes taken have indicated a preference to stay with the private utilities.

Mr. FENTON. Mr. McPhail, you know that out in the Northwest they have done that very thing. Private power has been compelled to turn over their system to the Bureau of Reclamation, public utility departments particularly.

Mr. MCPHAIL. I do not recollect that.

Mr. FENTON. That is right. I have been on this committee long enough to know that. That is what they are doing, just driving them out of the free enterprise system. There is no question about that.

I believe in your last paragraph you say something about urging this committee to put suitable language in the bill, indicating that the construction of a complete Federal transmission system be contemplated and that the Bureau of Reclamation be instructed to proceed, et cetera.

Of course, you know that this committee cannot put legislation in an appropriation bill.

Mr. MCPHAIL. I have observed, Dr. Fenton, that the language used in the reports of this committee has been very influential on the procedure by the Government agencies involved. I had in mind that appropriate language in your report would be a proper vehicle for this committee to state its desires.

Mr. FENTON. They are so solicitous about private enterprise continuing and yet it is noted in this report that any consideration of in-

creased tax returns to the Federal, State, or local government is academic.

Just what do you mean by that?

Mr. McPHAIL. I mean by that, Dr. Fenton, that the preference customers who will absorb all of this power are paying for this project almost in total. That is, at least 91 percent of it. By so doing, they will have increased the tax base due to the development of these participating projects to an extent that makes any possible taxes from transmission lines through a relatively arid area, most of it Government land, look rather small. It amounts to a redistribution of required taxes, placing many taxes upon this particular group of people that should properly, in my opinion, be spread over all the people in the area.

Mr. FENTON. Including the Eastern States?

Mr. McPHAIL. I am sorry, I do not think I got that point.

Mr. FENTON. People from the East have just been taxed to give you people all of these utilities that you are talking about.

Mr. McPHAIL. I think they will reap far greater benefits from the broadened tax base that is created by this project which these preference customers will be paying for.

Mr. FENTON. I notice it is said the company that put out this report is from Philadelphia.

Mr. McPHAIL. Yes, sir.

Mr. FENTON. Do they originate in Philadelphia?

Mr. McPHAIL. Yes, sir. They have been in business in Philadelphia for 30 years. I joined them about 6 years ago.

Mr. FENTON. Of course, we have heard the stock answers a good many years now.

As a matter of fact, it is like creeping paralysis. You are gradually encroaching on private property all over the country. I share the concern of certain people that that is not good for the country, eventually, particularly.

That is about all, Mr. Chairman.

MONDAY, APRIL 11, 1960.

COLORADO RIVER STORAGE PROJECT, TRANSMISSION LINES

WITNESS

V. G. PEARSON, BUSINESS MANAGER, LOCAL UNION 57, IBEW, SALT LAKE CITY, UTAH

Mr. CANNON. Next we will hear from Mr. V. G. Pearson, business manager, Local Union 57.

Mr. PEARSON. Mr. Chairman and members of the committee, my name is V. G. Pearson. My address is 1743 West North Temple Street, Salt Lake City, Utah.

I am business manager of Local Union 57, International Brotherhood of Electrical Workers and represent 1,800 taxpaying union members in Utah, Idaho and Colorado.

I am generally familiar with the existing transmission lines and the proposed construction of transmission lines by private companies and the Bureau of Reclamation in the State of Utah. I know, of my own knowledge, that there is not now a shortage of line capacity, and that there will not be any shortage.

We have supported the Colorado River storage project from its conception, and urge the appropriation of construction funds for all phases of the project and participating projects except the transmission division.

I appear before this honorable subcommittee solidly in opposition of funds being appropriated for the transmission division of the Colorado River storage project for planning, surveying, or constructing transmission lines. Because of the limited time allotted to me I will make my statement very brief.

These lines, if built by the Federal Government, will duplicate lines of the private electric utilities in the area. We are firmly against the Federal Government becoming an electric utility. If the Federal Government is going to continue to produce and deliver power to preference customers, it will tend to foster more of them. At the present time there is a movement being fostered in the State of Utah to encourage all cities to convert to municipal-owned power systems, to make sure that all power from Glen Canyon and Flaming Gorge will be delivered under the preference clause. If this is accomplished, it will be a death blow to our membership because, in an opinion given by the attorney general of the State of Utah, it is unlawful for public officials to negotiate wages and working conditions with labor unions.

At the present time wages and working conditions of electric utility employees employed by public bodies and cooperatives in the State of Utah and adjoining States are deplorably low. In a few isolated instances where they have been affected by union organization, conditions have been improved. However, wage levels and working conditions are far below those which exist in private industry, and it is our considered opinion that the construction of these lines by the Bureau of Reclamation will encourage further establishment of electric distribution systems by more and more cities and towns with the result, so far as we are concerned, of the establishment of more and more areas with low wages and poor working conditions. We plead with you not to force these conditions upon us. We believe the Federal Government should avoid construction of transmission lines wherever possible and certainly should not duplicate the lines of private companies that are available for marketing project power.

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. How many employees do the private industry people have in that area?

Mr. PEARSON. In that area there, there are in the neighborhood of 1,500.

Mr. FENTON. In the four-State area?

Mr. PEARSON. In the four-State area there are 2,000.

Mr. FENTON. That is all; thank you.

Mr. CANNON. Thank you, Mr. Pearson.

MONDAY, APRIL 11, 1960.

COLORADO RIVER STORAGE PROJECT, TRANSMISSION LINES

WITNESSES

E. M. NAUGHTON, PRESIDENT, UTAH POWER & LIGHT CO.
VERYL HOOVER, PACIFIC POWER & LIGHT CO.
WALTER T. LUCKING, PRESIDENT, ARIZONA PUBLIC SERVICE CO.
D. W. REEVES, PUBLIC SERVICE CO. OF NEW MEXICO
ROBERT T. PERSON, PRESIDENT, PUBLIC SERVICE CO. OF COLORADO

Mr. CANNON. Mr. Naughton, president of the Utah Power & Light Co.

Mr. NAUGHTON. Mr. Chairman and members of the committee, I am E. M. Naughton, president, Utah Power & Light Co. With me are representatives of the five major private electric companies operating in the upper Colorado River Basin States: Walter T. Lucking, president, Arizona Public Service Co.; D. W. Reeves, president, Public Service Co. of New Mexico; Robert T. Person, Public Service Co. of Colorado; and Veryl Hoover, general manager, Wyoming Division, Pacific Power & Light Co. Each of us has filed a formal statement, which we request be made a part of the record. Please refer to my statement since it will be a summary for the five companies.

The five companies have always supported the Colorado River storage projects. We are all interested in the early development of the water resources of our respective States. We are here today to urge your committee to authorize the funds requested to carry on construction of the projects as outlined in the President's budget. However, as to those funds pertaining to the transmission division, we ask you to specify categorically that the Bureau spend no funds for survey, purchase of right-of-way or to commence construction of any transmission facilities which will duplicate existing facilities or facilities that the private companies are going to construct.

Your committee and other congressional committees have, from the beginning, indicated a desire that consideration be given to use of private company transmission lines to wheel or to market project power where companies offered cooperation. Last year, you directed the Bureau to concert Bureau plans with those of the private companies.

The private companies have been working on long range transmission plans giving consideration to project power marketing and wheeling to preference customers for over 4 years.

Since your directive of last year, we have had several satisfactory meetings with the Bureau, and I am pleased to report that progress has been accomplished. Greater detail of these meetings is contained in my written statement. The committee's approach last year in requiring close cooperation was sound and we recommend it be followed with reference to current appropriations.

The private company plans have been presented to Bureau officials of region 4, and, at the request of the Bureau, to preference customers who will be interested in project power. Our plans are in consonance with area requirements for the next 20 years to serve an estimated 20 million kilowatts of load in the 5-State area, including the 1.2 million kilowatts generated by the Colorado River project plants.

Three-fourths of the area's load will be served by the private companies and their transmission plans permit integration of project powerplants with other Federal plants in the upper and lower basins. This transmission system will be fully capable of marketing project power and will be available for wheeling power to preference customers. Each of the private companies has had experience with wheeling agreements and cooperation in building transmission lines to the satisfaction of all parties concerned.

The program, presented by the private companies, encompasses construction of 2,000 miles of high voltage transmission lines and related substation facilities at an estimated cost of $90 million. If the Government will utilize these private lines, the Bureau will need to spend only $42 million as against $157 million, as currently estimated, to provide project transmission facilities. Further savings can be effected through orderly construction as the facilities are needed.

It is expected that the electric load in Arizona, Colorado, New Mexico, Utah, and Wyoming will increase some 16 million kilowatts by 1980, which is 15 times the total capacity of the authorized Colorado River storage plants. Obviously, long range transmission plans must provide for total area requirements rather than just for marketing Government power or to take care of preference customers. In the beginning, the preference customers cannot possibly consume all power generated by project plants, and, therefore, to realize maximum power revenues, the private companies must absorb considerable of the generation through 1980.

The map on the easel indicates the private company construction program by phases.

Phase 1.—Utah Co. and Arizona Co. will have in service, not later than 1964, 410 miles of 230,000-volt line between Salt Lake City, Utah, and Flagstaff, Ariz., to interconnect their systems; 70 miles of this line in Utah have just been built and this photograph shows it to be first-class engineering.

Utah Co. is now building and will have in service by November 100 miles of 138,000-volt line between its Carbon plant and Vernal, Utah, near Flaming Gorge. This line can integrate the Flaming Gorge and Glen Canyon powerplants through Utah's system.

Utah Co. and California Pacific Utilities Co. are just finishing 110 miles of 138,000-volt line between Sigurd and Cedar City, Utah, in southwestern Utah.

By 1963, Arizona Co. will have two 345,000-volt lines, each 292 miles long, in service between its Four Corners steam-electric development in northwestern New Mexico and Phoenix, and also 251 miles of 230,000-volt line between Four Corners and Flagstaff via Gallup, N. Mex.

By 1963, Pacific Power & Light Co. will have constructed 125 miles of 230,000-volt line from Boysen to Rock Springs, Wyo.

Phase 2.—By 1964, Arizona Co. will have an additional 230,000-volt line 130 miles in length from Glen Canyon to Flagstaff and 60 miles from Flagstaff to Seligman.

Pacific Power & Light Co. will have in service, by 1965, 160 miles of 230,000-volt line from Casper to Rawlins to Rock Springs in Wyoming.

It is contemplated that these facilities of Pacific Co. may eventually be connected to those of Utah Co.

In 1964, Southern Wyoming Utilities Co. proposes to have in service a 230,000-volt line, 55 miles long, from Flaming Gorge to Rock Springs, and Public Service Co. of New Mexico will have a line of the same voltage from Four Corners-Farmington to Albuquerque, N. Mex., a distance of 180 miles.

During phase 2, the Government, to concert with the private company plans, would have to build only a 230,000-volt line from Glen Canyon to Poncha Junction, Colo., by way of Four Corners and Curecanti, which line would be 420 miles in length, and a 115,000-volt line from Flaming Gorge to Oak Creek, Colo., a distance of 150 miles.

Phase 3.—When the project is fully developed, Utah Co. would build a second line from Salt Lake City to Glen Canyon if power allocated to Utah customers justifies it; Public Service Co. of Colorado will have in service two 230,000-volt lines from Poncha Junction into the Denver area, and a 115,000-volt line from Montrose to Cameo.

It is anticipated that the Bureau during this era, would only need a second 230,000-volt line from Poncha Junction to Glen Canyon, and a 115,000-volt line from Gunnison to Montrose, Colo., via Curecanti, some 60 miles long.

I believe the engineers of the Bureau and the private companies have pretty well agreed that the transmission system outlined above is adequate to do the job.

Utilization of the private company transmission lines would save the Government a minimum of $90 million in transmission investment. The Bureau currently estimates the project to cost $1,055 million—some $70 million over its 1954 estimate. The act permits appropriations of only $760 million. With continuing inflation, the project will probably cost substantially more than present estimates.

A saving of $90 million in transmission facilities would construct 10 of the 11 participating projects, and would be that much less Congress would have to appropriate.

The $90-million private investment adds to the tax base in the areas and would produce $4 million annually in taxes.

These taxes would aid various levels of local government in an amount of about $1.7 million annually, 50 to 60 percent of which would be available to operate our schools which are continually faced with rising costs and growing populations.

The Colorado River Storage Project Act states that its primary purpose is development of water; that the generation of electric power is incident to that purpose.

Power revenues are to pay for water development. From a reading of House Report No. 1087 of the 84th Congress, which accompanied the authorizing act, it appears that the congressional committee, and I assume Congress in authorizing the project, contemplated that repayment of all phases of Government appropriations would be on a concurrent basis in equal annual installments. The basis for this contention is well documented in my written statement.

With these facts in mind, the private utilities in Colorado, Utah, Arizona, and New Mexico wish to emphasize to your committee the necessity for marketing project power on a business basis at the highest price it will bring to produce revenues that will bring about construction of water development projects.

All of the interests who urged authorization of the Colorado project were primarily concerned with development of water from the

Colorado River and its tributaries. We will need this water to support agricultural, industrial, and population growth. This is the job of the power revenues. It is, therefore, of prime importance that the Secretary of the Interior set a price for this power high enough to provide adequate revenues toward the earliest possible development of the participating projects.

Three other factors also emphasize the importance of a proper price to assure adequate revenues to support the project:

1. The Federal Power Commission has stated that the Bureau's estimates of water available for power generation may be 7 percent too high, and further that if water conditions which existed between 1933–56 should recur during the Glen Canyon filling period, the situation could be critical for 20 years. Either of these factors would substantially reduce estimated power revenues.

2. The cost of the storage and participating projects will very likely be in excess of present estimates due to inflation forces.

3. The experience of the Bonneville Power Administration shows that once a rate is set, it is practically impossible to increase it due to contractual obligations or political pressures.

We, in Utah Power & Light Co., believe that the power should be sold at a price commensurate with its value to produce maximum revenues for repayment of project costs. If this is done, we are sure Congress will be more inclined to make appropriations to proceed with construction of the storage and participating projects in an orderly way.

For the foregoing reasons, we respectfully request that appropriations for the Colorado River storage projects be made subject to the conditions that, in accordance with congressional intent, all power from the project be sold at a price consistent with applicable law as will produce maximum revenues without subsidy for any group or groups, private or public, for repayment of the funds appropriated by Congress for construction of the project.

My company is willing to negotiate with the Bureau of Reclamation for the purchase of a block of firm power at a price embracing the above concepts.

Attached to my statement, furnished you, is a copy of a letter addressed to the Secretary of the Interior, offering to wheel project power to load centers for preference customers. The rate quoted for such service is 1.55 mills per kilowatt-hour, based on delivery at 138,000 volts and an annual load factor of 57 percent.

Government integration of the Glen Canyon and Flaming Gorge plants to transmit power to preference customers in Utah would require duplication of some 400 miles of our high-voltage transmission lines, which we have offered to make available to carry project power to preference customers. The other four utilities have also submitted to the Secretary offers to wheel and wheeling rates in their respective areas, copies of which are included in our filed summary statement.

On behalf of all of the companies represented here, I repeat the request made earlier that the authorization of funds by this committee for the transmission division of the Colorado River storage project specify that no money shall be spent for survey, purchase of right-of-way, or to commence construction of transmission facilities which will duplicate existing facilities or facilities to be constructed by the private companies.

For myself and the representatives of the other four companies present I wish to thank you for the opportunity of presenting our views on this subject.

(Mr. Naughton's prepared statement and attachments follow:)

STATEMENT OF E. M. NAUGHTON

Mr. Chairman and members of the committee, I am E. M. Naughton, president and general manager of Utah Power & Light Co. With me are representatives of the other major electric companies in the area—Walter T. Lucking, president, Arizona Public Service Co.; D. W. Reeves, president and general manager, Public Service Co. of New Mexico; Robert T. Person, president, Public Service Co. of Colorado; and Veryl Hoover, general manager, Wyoming Division, Pacific Power & Light Co. Each of us has filed a written statement which we request be made part of the record. However, in the interest of saving time of this busy committee, I have been designated to present a summary of all of our statements.

We urge the authorization of funds requested to carry on construction of the Colorado River storage project; however, we respectfully request that authorization of funds by this committee for the transmission division specify categorically that no money shall be spent for survey, for purchase of right-of-way, or to commence construction of any transmission facilities which will duplicate existing facilities or facilities that the private companies are going to construct.

The Colorado River storage project, under the direction of the U.S. Bureau of Reclamation, has as its prime responsibility the making available of allocated portions of Colorado River water to the upper basin States. Recognizing the need for additional water required for growth in the area, the group of private utility companies represented here today, with responsibility for electric service in the five-State area of the project, have appeared before this and other congressional committees on previous occasions with reference to the project. In 1954 and again in 1955, we urged the authorization of the storage project, offered to make our transmission facilities available and to construct additional transmission facilities to market Colorado River storage project power. We also offered to wheel project power to preference customers.

After these hearings the Department of the Interior advised the House Interior and Insular Affairs Committee that it was sympathetic to the private companies' program and indicated that the companies' proposal would be given studied consideration if the Colorado River storage project were authorized. The Interior and Insular Affairs Committee said that it expected the proposal of the private power companies to be carefully considered by the Department of the Interior.

Appearances were made before Appropriations Committee last year by the same private companies represented here today, in connection with the Bureau of Reclamation's request for funds for transmission line planning. We reiterated our willingness to use existing facilities, including additions thereto, for marketing project power, and to wheel to preference customers.

As a result of statements presented by the private companies at these hearings and the feasibility of the suggestions made, your committee report directed the Bureau of Reclamation to confer with the private utilities and other interested parties in planning the transmission system for marketing project power.

I am pleased to report that we have had satisfactory meetings with the Bureau of Reclamation and progress has been made. We commend your action of last year in instructing the Bureau to meet with the utilities before proceeding to spend the appropriations and believe such procedure still sound.

Let me report to you our progress to date. Pursuant to your instructions, the Bureau of Reclamation on July 10, 1959, in Salt Lake City, presented to the utilities and to the preference customers a map showing the Bureau's proposed transmission system consisting of single circuit 345,000-volt transmission lines to load centers. The Bureau requested that after the utilities had considered the plan they again meet with the Bureau.

On October 1, 1959, the utilities of the five upper basin States, having considered the Bureau's plan in detail, met with the Bureau and outlined the utilities' plans for a transmission network which the utilities are going to build. A booklet containing these plans entitled "Electric Utility Transmission System As Related to the Colorado River Storage Project," dated October 1, 1958, has been given to the committee.

The utilities presented the same plans to the preference customers on October 13, 1959, at a meeting in Salt Lake City sponsored by the Bureau of Reclamation.

Construction of the facilities contemplated by these plans is in consonance with the utilities' transmission requirements for the next 20 years to serve 20 million kilowatts of load in the 5-State area, including the 1.2 million kilowatts of load to be supplied by the upper Colorado River project plants.

The private utility companies are responsible for better than three-fourths of the area's load. Our transmission plans permit integration of project powerplants with other Federal plants in the upper and lower basins through our systems. This transmission network will be fully capable of marketing project power and will be available for wheeling power to preference customers. Wheeling and cooperation in building transmission lines is not new to us and is working well in each of our areas.

The construction program outlined by our companies is the culmination of some 4 years of intensive coordinated planning and work of engineers from all of the private utilities concerned. The program encompasses construction of some 2,000 miles of high-voltage transmission lines and related substation facilities estimated to cost $90 million. By taking advantage of these lines, as well as companies' existing lines, the Bureau would be required to spend only $42 million instead of $157 million included in the Bureau's project cost estimate. Also, further savings are made possible through orderly construction of facilities as the need arises through load growth and future generating station location.

The total load of the 5 States—Arizona, Colorado, New Mexico, Utah, and Wyoming—is expected to increase by some 16 million kilowatts by 1980. This increase is approximately 15 times the total capacity of the authorized Colorado River storage plants. Any long-range transmission plan must be designed to meet total area requirements, not just to transmit project power to preference customers. Furthermore, the indicated requirements of preference customers in the upper basin of the Colorado River are for many years substantially less than the project's potential power generation. It is quite obvious, therefore, that realization of maximum power revenues will require that the private utilities absorb substantial project generation through 1980.

The transmission facilities to be built by the private companies may logically be divided into three phases, according to time of construction.

Phase 1.—(Refer to map, fig. 1, attached.) The following high-voltage, high-capacity transmission lines which will be built can be used to transmit project power.

Utah Power & Light Co. and Arizona Public Service Co. will have in service not later than 1964 410 miles of 230,000-volt line from Salt Lake City, Utah, to Flagstaff, Ariz., which will integrate the systems of the two companies. Seventy miles of this line between Nephi and Sigurd, Utah, are completed. A photograph of a portion of this line is attached.

Utah Power & Light Co. also has under construction for service by November 1960 100 miles of 138,000-volt line between its Carbon steam-electric plant and Vernal, Utah, which can be extended 25 miles to Flaming Gorge plant or connected to an existing REA line, extending from Vernal to Flaming Gorge to integrate the Flaming Gorge and Glen Canyon plants.

Utah Power & Light Co. and California-Pacific Utilities Co. will have in service this year 110 miles of 138,000-volt line between Sigurd and Cedar City, Utah.

Arizona Public Service Co. will have in service in 1963 two 345,000-volt lines each 292 miles long between its Four Corners steam-electric development in northwestern New Mexico and the Phoenix area, and 251 miles of 230,000-volt line from Four Corners to Flagstaff via Gallup, N. Mex.

The Pacific Power & Light Co. will have in service by 1963 a 230,000-volt line 70 miles in length from near Boysen to Atlantic City, Wyo.

Phase 2.—(Refer to map, fig. 2, attached.) The following additional lines will be built:

The Arizona Public Service Co. will have by 1964 an additional 230,000-volt line, 130 miles in length, from near Glen Canyon to Flagstaff, and 60 miles from Flagstaff to Seligman.

Pacific Power & Light Co. will have in service in Wyoming by 1965, 160 miles of 230,000-volt line from Casper to Rawlins to Rock Springs and 55 miles from

Atlantic City to Rock Springs. The next step may be a connection to the Utah Power & Light Co. system.

Southern Wyoming Utilities Co. proposes to have in service by 1964 a 230,000-volt line 55 miles long from Flaming Gorge to Rock Springs.

The Public Service Co. of New Mexico will by 1964 have a 230,000-volt line in service from the Four Corners-Farmington, N. Mex. area to Albuquerque, a distance of 180 miles.

(To concert with the private utilities' plans, the Federal Government would have only to build during this phase a 230,000-volt line from Glen Canyon to Poncha Junction, Colo., by way of the Four Corners plant and Curecanti, 420 miles in length, and a 115,000-volt line from Flaming Gorge to Oak Creek, Colo., some 150 miles in length.)

Phase 3.—(Refer to map, fig. 3, attached.) By the time the Colorado project is fully developed, Utah Power & Light Co. will build a second line from Salt Lake City to Glen Canyon, if power allocated to customers in Utah justifies it.

Pubic Service Co. of Colorado will have in service two 230,000-volt lines from Poncha Junction into the Denver area, and a 115,000-volt line from Montrose to Cameo.

(The Bureau would have only to build a second 230,000-volt line from Poncha Junction to Glen Canyon, and a 115,000-volt line from Gunnison to Montrose via Curecanti, 60 miles in length.)

The construction referred to above is summarized in tabular form in table 1 attached.

Since the October 1959 meetings, engineers of the private companies and the Bureau have been continuously studying the transmission requirements, and I believe are in rather close agreement as to the type of transmission system needed.

The Bureau is considering the private companies' offer to make available their existing and future transmission facilities to market as well as to "wheel" to preference customers Colorado River storage project power. We are fully convinced that use of the private utility companies' transmission facilities will result in a substantial financial contribution to the Colorado River storage project.

By accepting our offer, the Federal Government would save a minimum of $90 million of public funds for project transmission facilities which it would otherwise spend. The Bureau's current estimate of the project's cost is $1,055 million, about $70 million above the 1954 estimated cost. The amount of money authorized to be appropriated in the 1956 act was only $760 million—some $295 million less than current estimates of project cost. If inflation continues, the cost of the project will be greater.

With a limited amount of money available each year to be appropriated for the Colorado project, a $90 million reduction in expenditures would make better use of available funds for earlier construction of water development facilities—the project's primary objective. In this connection it should be noted, as shown below, a $90 million saving in transmission expenditures would pay for 10 of the 11 participating projects.

Water development projects

	Cost (million dollars)
Paonia, Colo	$8.5
Pine River Extension, Colo	.2
Smith Fork, Colo	4.4
Florida, Colo	7.4
Silt, Colo	3.5
Hammond, N. Mex	3.2
Emery, Utah	9.9
Seedskadee, Wyo	37.9
Lyman, Wyo	11.4
La Barge, Wyo	1.8
Subtotal	88.4
Central Utah	235.9
Total	324.3

Furthermore, the investment of $90 million by the private companies would broaden the tax base in their respective areas and would result in payment by them of an additional $4 million in taxes annually. It would result in an increase in taxes to the various levels of local Government agencies of $1.67 million, 50 to 60 percent of which would go for the operation of our schools which are faced with growing populations and rising costs.

Each of the utilities represented here today, by letter addressed to the Secretary of the Interior, has made a firm offer to wheel power to preference customers, stating the charge therefor. Copies of these letters are attached. In each case the rate is based upon the facilities to do the job in the specific company's area.

The Colorado River storage project act, Public Law 485, of the 84th Congress, 2d session, passed April 11, 1956, contains the following language:

"In order to initiate the comprehensive development of the water resources of the upper Colorado River Basin, for the purposes, among others, of regulating the flow of the Colorado River, storing water for beneficial consumptive use, making it possible for the States of the upper basin to utilize, consistently with the provisions of the Colorado River compact, the apportionments made to and among them in the Colorado River compact and the upper Colorado River Basin compact, respectively, providing for the reclamation of arid and semiarid land, for the control of floods, *and for the generation of hydroelectric power, as an incident of the foregoing purposes*, the Secretary of the Interior is hereby authorized (1) to construct, operate, and maintain the following initial units of the Colorado River storage project, * * *" (italic added for emphasis).

The legislative history of the act in part is set forth in House Report 1087 prepared by the House Committee on Interior and Insular Affairs of the 84th Congress in 1955. There are one or two comments from the House report which I would like to recall to your committee. The report states:

"The legislative proposals made herein are in general accord with the established policy followed by the Congress in connection with Federal reclamation projects for the last 50 years. In some respects the provisions of this bill are more conservative than established policy. The repayment required under provisions of this bill is designed to insure *the concurrent return* to the Treasury of expenditures for power, irrigation, municipal, and industrial water supply purposes. Expenditures for power and municipal and industrial water supply will be returned with interest, including interest during construction. Expenditures for irrigation will be returned without interest *in equal annual installments* within 50 years after the expiration of any authorized development period." (Italic added for emphasis.)

Later on in the report, the following language is found:

"* * * While the amount for irrigation in the bill of about $282.8 million does not bear interest, *pursuant to the 50-year-old principle of reclamation law*, this amount would be returned, under the provisions of the bill, *in equal annual installments* in 50 years plus any development period authorized. * * *" (Italic added for emphasis.)

With the foregoing provisions in mind, the four investor-owned companies, operating in the States of Utah, Colorado, New Mexico, and Arizona, wish to emphasize to this committee the necessity of marketing the power from the project hydroelectric plants on a business basis at the highest price it will bring which will produce revenues at the very earliest opportunity for repayment of funds secured from the Federal Treasury to build the participating projects authorized by the project act.

So far as the upper basin States are concerned, our primary motive in pressing for the authorization of the Colorado River Storage Project Act was to develop the water resources of the upper basin. In fact, it is only through the full development of the water from the Colorado River and its tributaries allocated to the upper basin States that we will be in a position to provide the impetus for and support of our future agricultural, industrial, and population growth.

It is intended that the generation of electric energy from the project plants will supply the necessary revenues to repay the loans to be made by the Federal Government for construction of the participating projects which will provide the water development. This is the job of the power revenues. It, therefore, becomes of prime importance that in pricing the power for sale the Secretary see to it that the price set for power is high enough to provide adequate revenues toward the earliest possible development of the participating projects.

Since the non-interest-bearing irrigation features are to be repaid in annual installments, as so clearly stated in the above cited reports, every effort should be made to the end that revenues from the power source will provide the maximum possible help ot meet this obligation.

We believe the Upper Colorado Commission clearly had in mind the burden which the power revenues must bear when it set out in its statement of policy pertaining to market area, basic marketing criteria and energy rates in a letter addressed to Hon. Fred A. Seaton, Secretary of the Interior, March 7, 1960.

I quote in part from the preamble of that statement of policy:

"The Secretary of the Interior is required to operate the water-regulating power-generating facilities of the Colorado River storage project in an efficient manner and to apportion and distribute the hydroelectric energy in as equitable and fair way as practicable, at the same time maintaining a *rapid and efficient payout schedule for the storage units and participating projects.* In performing these functions, the Secretary must comply with the preference clause and other applicable portions of reclamation law, including Public Law 485, 84th Congress. (70 Stat. 105.) (Italic added for emphasis.)

and also in full the policy on energy rates:

"The delivery of all energy generated by or credited to, the powerplants of the Colorado River storage project shall be at rates that will provide repayment assistance to retire the costs of the Colorado River storage project and participating projects allocated to irrigation in a manner consistent with an orderly and progressive development of the water and land resources of the upper division States in conformity with Public Law 485, 84th Congress, 2d session (70 Stat. 105)."

There are three other factors which we believe are of equal importance in emphasizing the necessity for properly pricing in the beginning the power for sale:

First, the comments of the Federal Power Commission found in Senate Document No. 79, 86th Congress, 2d session, page 71, wherein the Federal Power Commission, in discussing the record of flows of the Colorado River, states there is evidence that the flows relied on by the Bureau of Reclamation could be about 7 percent too high. The report further comments:

"Although it is reasonable to anticipate average flows during the filling of the reservoirs, studies show that operation of Glen Canyon could be critical for 20 years or more if the low flows of 1933–56 should recur coincident with filling of the reservoir."

Obviously, if such a contingency should become a reality, the estimated power revenues from the sale of project power would be materially reduced, and the ability to repay the appropriations made for the construction of the storage projects or the participating projects could be materially affected.

The second reason why the rates for sale of power should be set with due regard to the value of the power and the obligation of the power revenues to supply the revenues to repay the Federal loans for construction of the project, is the fact, as has already been stated, that the forces of inflation have increased the estimated costs of the project by approximately $70 million.

There is no evidence that the forces of inflation are about to disappear, and it seems a fair assumption that before the storage and participating projects are completed costs will be increased substantially more.

The third reason for setting an adequate rate for the sale of project power has been illustrated by the difficulty encountered recently with the Bonneville Power Administration which has been operating at a loss over the past 2 years and which expects to operate at an average loss of over $6 million a year for the next 5 years. This illustrates the fact that it has been most difficult, if not impossible, because of contracts or political pressures, to raise the rate once it has been established. No one would object to a rate reduction, but every customer is concerned about a rate increase.

As additional funds are requested to complete storage and participating projects, it is our judgment that Congress will be more inclined to grant appropriations if the project power is being sold at a price commensurate with its value to produce the maximum revenues for repayment of the funds advanced by Congress for construction purposes.

For the foregoing reasons, we respectfully request that as appropriations are made to carry forward the Colorado River storage project the use of funds so appropriated be made subject to the condition that in accordance with congressional intent all power from the Colorado River storage project shall be sold at a price, consistent with applicable law, as will produce maximum revenues, without subsidy to any group or groups, private or public, for repayment of the funds appropriated by Congress for construction of the storage and participating projects.

With the objective in mind of providing maximum revenues from power sources for repayment of loans from the Treasury, and particularly looking toward the earliest possible development of the water resources of the State of Utah, which will only be realized from the construction of Central Utah and other participating projects, the Utah Power & Light Co. is willing to negotiate with the Bureau of Reclamation for the purchase of firm power at a price embracing the above concepts.

Utah Power & Light Co., by letter to the Secretary of the Interior, a copy of which is attached, has offered to wheel, for preference customers, project power to load centers. The rate quoted for such service is 1.55 mills per kilowatt-hour based on delivery to preference customers at an annual load factor of 57 percent and at 138,000 volts.

If the Federal Government elects to integrate the Glen Canyon and Flaming Gorge plants and transmit power to preference customers in Utah, it would have to build over 400 miles of high voltage transmission lines which would duplicate transmission lines of Utah Power & Light Co.

In closing, I would like to repeat the request that I made in the beginning that the authorization of funds by this committee for transmission specify that no money shall be spent for survey, for the purchase of right-of-way, or to commence construction of any transmission facility which will duplicate existing facilities or facilities to be constructed by the private companies.

For myself and the presidents of the other four companies present, I wish to thank you, Mr. Chairman, and the members of your committee, for the opportunity of appearing before you and the privilege of presenting our views to you on this subject.

TABLE 1.—*Schedule of line construction by private electric companies*

Line section	In-service date	Ownership	Voltage	Miles
			Kilovolts	
Phase 1:				
Salt Lake to Glen Canyon (1st circuit)	1964	Utah Power & Light	230	280
(Nephi to Sigurd section)	1960	do	230	70
Sigurd to Cedar City	1960	Utah Power & Light & California-Pacific.	138	110
Carbon to Vernal	1960	Utah Power & Light	138	100
Glen Canyon to Flagstaff (1st circuit)	1964	Arizona Public Service	230	130
Four Corners to Phoenix (2 circuits)	1963	do	345	292
Four Corners to Flagstaff via Gallup	1963	do	230	251
Four Corners to Durango	1963	TWCP	138	50
Boysen to Rock Springs	1963	Pacific Power & Light	230	125
Phase 2:				
Glen Canyon to Flagstaff (2d circuit)	1964	Arizona Public Service	230	130
Flagstaff to Seligman	1964	do	230	60
Four Corners to Albuquerque	1964	Public Service of New Mexico	230	180
Rock Springs to Flaming Gorge	1964	Southern Wyoming Utilities	230	55
Casper to Rock Springs	1965	Pacific Power & Light	230	160
Flaming Gorge to Oak Creek		U.S. Bureau of Reclamation	115	150
Glen Canyon to Poncha Junction (via Four Corners and Curecanti).		do	230	420
Phase 3:				
Salt Lake to Glen Canyon		Utah Power & Light	230	280
Glen Canyon to Poncha Junction (via Four Corners and Curecanti).		U.S. Bureau of Reclamation	230	420
Curecanti to Gunnison		do	115	30
Curecanti to Montrose		do	115	30
Montrose to Cameo		Public Service of California	115	65
Poncha Junction to Denver loop lines		do	230	320

APPENDIX B

PUBLIC SERVICE CO. OF COLORADO,
Denver, Colo., April 6, 1960.

Hon. FRED A. SEATON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY SEATON: When legislation authorizing the Colorado River storage project was before the Congress for its consideration in 1954 and 1955, our company, with nine other privately owned electric utility systems operating in the Colorado River Basin area, presented certain proposals for cooperation with the Federal Government relative to the disposition and marketing of electric energy to be generated in connection with the project. We proposed that use be made of the existing company transmission systems to the extent possible to market project power and, in addition, we offered to construct such new transmission lines as may be required for this same purpose. Further, we offered to enter into contracts with the Federal Government to deliver project power to preference customers and, lastly, to purchase the power output of the project plants not contracted for by preference customers.

Pursuant to these proposals, a comprehensive plan was presented to the Bureau of Reclamation in October 1959 in a report titled "Electric Utility Transmission System Study as Related to Colorado River Storage Project." The transmission network outlined in this plan would serve to: (1) interconnect the power systems of the upper and lower basin area, and integrate the operation of project plants with other Federal plants and utility systems in the area; (2) transmit utility company power requirements; (3) market project power; and (4) wheel project power to preference customers—all of these accomplishments with a substantial saving in capital and operating cost.

In a letter to the utilities dated January 19, 1960, acknowledging receipt of the transmission plan, Mr. E. O. Larson, Director of Reclamation, region 4, reiterated the long-standing policy of the Department which has been to construct the backbone transmission lines while utilizing the lines of others for marketing. Certain principles were set forth whereby utility participation in project power marketing would be given consideration and on February 25, 1960, the presidents and executive representatives of the utility companies met with Mr. Larson to discuss the full application, meaning, and understanding of these principles.

With the benefit of these discussions, we are now prepared to make further proposals relating to marketing of project power within the framework of the transmission plan outlined in our proposal calling for Federal backbone 230 kilovolt transmission from Glen Canyon to interconnect with the Public Service Co. of Colorado system at Poncha. We propose to wheel project power and energy delivered to the company at the various points of interconnection between the Bureau's system and the company's system to preference customers over the present and proposed company transmission system in Colorado, under a wheeling contract similar to the one which we now have with the Colorado-Big Thompson project. The exact terms as to extent of zones, charges, etc., can be more exactly determined when power allocations and market areas are made known to us. In any event, as we view it at this time, the provisions under any new contract will be no less favorable to preference customers than those incorporated in our present agreements, and could be more favorable depending upon final resolution of the factors named above.

As I am sure you are aware, our company is not dependent on the Federal Government for its power supply and it will not be necessary for us to rely on the Colorado River storage project to meet our future requirements. We recognize, however, that net requirements of Colorado preference customers for power may be substantially less than a possible division of project power capacity for many years, also less than the capability of the Glen-Poncha transmission system, and further, that maximum revenues must be realized from project power in order to provide repayment to retire costs of the participating projects allocated to irrigation. With this in mind, we would like to reiterate our willingness to purchase project power and energy not contracted for by preference customers.

We will welcome the opportunity to discuss details of the foregoing proposals at the convenience of interested members of your organization.

Yours very truly,

R. T. PERSON, *President.*

ARIZONA PUBLIC SERVICE CO.,
Phoenix, Ariz., April 8, 1960.

Subject: Upper Colorado River storage project transmission facilities and power marketing.

Hon. FRED A. SEATON,
Secretary of the Interior, Washington, D.C.

SIR: My company in concert with other utility companies in the area of the Colorado River storage project, have in the past, expressed our desire to cooperate with the Government for transmission and marketing of the project's power, including wheeling, by using existing transmission lines of the utilities and their planned additions. Our willingness has been expressed to Congress during hearings on appropriations and our plan presented to the U.S. Bureau of Reclamation on October 1, 1959, entitled "Electric Utility Transmission Study as Related to Colorado River Storage Project."

This plan with which your Bureau staff is familiar, briefly stated, will interconnect and integrate the power systems of the upper and lower basin with the project plants and other Federal plants to transmit, market, and wheel power for the project, preference customers, and the companies. Similar interconnections and wheeling have been in existence in Arizona for almost 20 years. This plan will also provide a flexible system which will produce maximum economical use and operation.

The following quotation for wheeling is based on the schedule of deliveries furnished by the U.S. Bureau of Reclamation for the January 1960 calculating board studies made in Phoenix jointly by the U.S. Bureau of Reclamation, the preference customers, and a group of private utilities, considering that power will be delivered with a 60 percent annual load factor. It is also based on energy as delivered by transmission to the Phoenix area, plus energy delivered by displacement in the Four Corners area.

(*a*) Per kilowatt-hour for all energy delivered—1.25 mills.

(*b*) We are willing to enter into an agreement under which credit will will be given for the future use of transmission lines rendered idle by the declining scheduled deliveries to Arizona. This credit may be established on the basis of the future use for Marble Canyon (not presently authorized) or for future additions to our Four Corners steamplant. Considering these credits the estimated wheeling charge is 1 mill per kilowatt-hour.

(*c*) The above quotations include deliveries to Phoenix under the aforesaid schedule. The facilities to be installed would allow for deliveries to Hoover Dam with no additional charge. Should such deliveries be scheduled in definite amounts so that a transmission line between Flagstaff and Phoenix can be avoided, the wheeling quotation can be considerably reduced.

(*d*) Should deliveries at other definite points be required we will be willing to quote when delivery points and quantities are known.

The above quotation is made with the belief that project power would be withdrawn at some time in the future for upper basin preference customer use. In the event our assumptions are too much at variance with a later determination we will be most happy to examine such determination of energy and quote accordingly.

This proposal is, of course, contingent upon obtaining the necessary approval of regulatory authorities having jurisdiction, and acceptable contract form.

I appreciate the opportunity of submitting this offer and I am looking forward to being able to work out the necessary details and be of service to all interested parties.

Very truly yours,

WALTER T. LUCKING.

PUBLIC SERVICE CO. OF NEW MEXICO,
Albuquerque, N. Mex., April 4, 1960.

Hon. FRED J. SEATON,
Secretary of the Interior, Department of the Interior,
Washington, D.C.

MY DEAR MR. SECRETARY: The investor-owned utilities in the area of the Colorado River storage project have many times expressed their desire to cooperate with the Federal Government in the transmission and marketing of electric power from the Colorado River storage project. These utilities have

urged that use be made of their existing systems and planned additions thereto to market the project power. The companies have further assured committees of the Congress and the Bureau of Reclamation of their willingness to wheel power to the preference customers.

In October 1959, these utilities met with the Bureau of Reclamation and outlined their plans for a transmission network which would be required by the utilities to serve their areas and which would also be capable of marketing project power in accordance with the authorizing act of 1956. This plan is outlined in a report prepared by these five companies entitled "Electric Utility Transmission System Study as Related to Colorado River Storage Project," dated October 1, 1959, and attached hereto. Among the features presented in this report are the facts that the transmission facilities proposed therein would: (1) Interconnect the power systems of the upper and lower basin areas and integrate the operation of the project plants with other Federal plants and systems in the area; (2) transmit utility company power requirements; (3) market project power; and (4) wheel project power to preference customers. Adoption of the utilities' proposal would permit a substantial saving in capital and operating costs to the Government.

Since the above-mentioned report provides for Government-owned transmission lines between Glen Canyon and Curecanti, passing through the northwest corner of the State of New Mexico, the proposal of Public Service Co. of New Mexico is for wheeling power and energy from the vicinity of Farmington, N. Mex. to the vicinity of Albuquerque, N. Mex., over a 230-kilovolt transmission line which this company will construct.

Public Service Co. of New Mexico proposed to wheel or transmit electric energy from the vicinity of Farmington, N. Mex., to an existing 115-kilovolt point of interconnection near Albuquerque, N. Mex., for the preference customers. The electric energy will be transmitted over the 230-kilovolt transmission line and stepped down to 115 kilovolts near Albuquerque. The charges for wheeling or transmission by Public Service Co. of New Mexico will be 1.2 mills per kilowatt-hour received by Public Service Co. near Farmington. The quantity of electric energy delivered at Albuquerque will be the same as received for wheeling at Farmington, less losses.

If it is desired, Public Service Co. of New Mexico will provide firming capacity at the Albuquerque delivery point for power wheeled at a rate of 50 cents per kilowatt per month of maximum 15-minute demand created during the 12-month period ending with the current month. The demand will be that measured at the point of delivery in the vicinity of Albuquerque. If firming capacity is supplied, the energy delivered when such capacity is used will be returned in kind or paid for at an agreed rate based upon the costs incident to the service furnished.

It is anticipated that power from the project will not be available prior to mid-1964. Prior to that time, we will have the necessary facilities completed.

This proposal is, of course, contingent upon securing the necessary approval of regulatory authorities having jurisdiction and upon incorporation of the proposal into an acceptable form of contract.

This company appreciates the opportunity of submitting this offer and will look forward to working out the necessary details with the interested parties.

Very truly yours,

D. W. REEVES, *President.*

PACIFIC POWER & LIGHT CO.,
Casper, Wyo., April 11, 1960.

Hon. FRED A. SEATON,
Secretary of the Interior,
Interior Building,
Washington, D.C.

DEAR MR. SEATON: Pacific Power & Light Co., in cooperation with Arizona Public Service Co., Public Service Co. of New Mexico, Public Service Co. of Colorado, and Utah Power & Light Co., has been studying together with the Bureau of Reclamation, the transmission requirements for bringing Colorado River storage project power to market. This study has been undertaken with a view to providing the most economical transmission system and to avoid duplications by the Government of transmission lines which are being constructed or planned for construction by the private utilities.

For over four decades, Pacific Power & Light Co., and its predecessor, Mountain States Power Co., has cooperated with the Bureau of Reclamation to assist in providing a market for Bureau power including wheeling. This cooperation has been of mutual benefit and has assisted materially in the development of the State of Wyoming.

To continue this cooperation, we are presently engaged in negotiating a new contract with representatives of the Bureau of Reclamation to replace existing contracts which expire in 1960.

It is anticipated that the present rates for wheeling will continue at 1 mill per kilowatt-hour and allowance of 7 percent for losses.

This letter is to affirm on the part of Pacific Power & Light Co. its intention to continue to cooperate fully with the Bureau of Reclamation to provide a market for, and to wheel power from, Federal plants as it has in the past.

Very truly yours,

V. HOOVER,
General Manager, Wyoming Division.

UTAH POWER & LIGHT CO.,
Salt Lake City, Utah, April 8, 1960.

HON. FRED A. SEATON,
Secretary of the Interior,
Washington, D.C.

DEAR SECRETARY SEATON: The five major utility companies operating in the upper Colorado River Basin met with the officials of region 4 of the Bureau of Reclamation in Salt Lake City, Utah, on October 1, 1959, for the purpose of informing the Bureau officials of the private company plans pertinent to the transmission of Colorado River storage project power.

At that meeting, this company delivered to Mr. E. O. Larson, director of region 4, a letter outlining firm plans to construct a 230,000-volt line which would integrate the systems of the Utah Power & Light Co. and the Arizona Public Service Co. at a point on the Utah-Arizona State line near Glen Canyon.

The letter to Mr. Larson pointed out that the section of the above-referred to line, which will be constructed and owned by Utah Power & Light Co., will:

1. Have adequate capacity and will be available to deliver power to preference customers of the Bureau in Utah.

2. Be available to market a sizable block of power through the Utah Power & Light Co.'s system.

The letter further pointed out that the Utah Power & Light Co. board of directors had directed that as additional units are installed at Glen Canyon, and to the extent that power allocations to Utah require additional facilities, Utah company build such facilities, as are necessary to handle the additional Utah allocations, under such terms as may then be appropriate.

The letter further contained an offer on behalf of Utah company to enter into discussions leading toward the development of contracts for wheeling to preference customers and the purchase of sizable blocks of power to be generated at Glen Canyon.

Utah company will have in service by November 1960, a 138,000-volt line from its Carbon steam-electric plant at Castle Gate, Utah, extending to the vicinity of Vernal, Utah.

The Carbon-Vernal 138,000-volt line will also be available for marketing project power and wheeling to preference customers.

The two lines described above, together with the company's existing system, will provide all of the transmission line facilities necessary to interconnect the Glen Canyon and Flaming Gorge hydroelectric plants.

In accordance with our previous commitments, Utah Power & Light Co., agrees to accept Colorado River storage project power into its system at 230,000 volts at a point near Glen Canyon and at 138,000 volts at a point near Flaming Gorge and to transmit the power so delivered, less appropriate transmission losses, to preference customers in the State of Utah, who have contracted with the Bureau for said power. Delivery to said preference customers will be at load centers in the general vicinity of Sigurd, Springville, and Vernal, Utah, at 138,000 volts.

For this wheeling service, Utah Power & Light Co. will charge 1.55 mills per kilowatt-hour based on delivery to preference customers at an annual load factor of 57 percent.

Acceptance of the foregoing wheeling proposal will materially reduce the Government investment in transmission facilities, and we are convinced will make a substantial financial contribution to the upper Colorado River storage projects and participating projects.

We are now ready and willing to enter into discussions leading toward contracts in line with the above offer, at any time mutually agreeable.

Respectfully submitted.

E. M. NAUGHTON.

Mr. CANNON. The statements of Mr. Hoover, Mr. Reeves, Mr. Lucking, and Mr. Person to whom you referred, will be made a part of the record.

(The statements referred to follows:)

STATEMENT OF V. N. HOOVER

My name is Veryl N. Hoover. I reside in Casper, Wyo., and am general manager of the Wyoming Division of Pacific Power & Light Co.

It's a pleasure to have the opportunity of appearing before you today.

With your permission I desire to outline briefly my company's plans for constructing electric transmission lines, which will help the citizens of Wyoming in receiving their share of electric power to be generated from U.S. Bureau of Reclamation developments of the upper Colorado River storage project.

PACIFIC POWER SERVICE AREA IN WYOMING

By way of introduction, I should like to mention that Pacific Power provides electric service to more than 40,000 customers in Wyoming. Our division offices are in Casper. Other Wyoming offices are at Buffalo, Cody, Douglas, Glenrock, Greybull, Lander, Laramie, Lovell, Rawlins, Riverton, Thermopolis, and Worland.

ELECTRIC TRANSMISSION LINES IN WYOMING

Major electric transmission lines in Wyoming are shown on the attached map. Pacific's lines are shown in red and those of the Bureau of Reclamation in black.

You can see that electric lines of Pacific Power are presently interconnected with Bureau of Reclamation facilities at 21 points; namely, at the proposed Yellowtail Dam site in Montana, just north of the Wyoming border, and in Wyoming at or in the vicinities of Lovell, Powell, Cody, Garland, Basin, Worland, Thermopolis, Grass Creek, Boysen, Morton, Pavillion, Riverton, Casper (2), Glendo, Laramie, Rawlins, Bairoil, Lamont, and Wertz. Also, Pacific's electric lines are connected at seven delivery points with REA co-op facilities and at five delivery points to Bureau facilities for irrigation pumping.

Bureau of Reclamation lines from Wyoming are interconnected in Colorado with the Public Service Co. of Colorado, and in Nebraska with the Consumers Public Power District. To the north, Pacific's new 161,000-volt line connects at Billings, Mont., with the Montana Power Co. and other facilities of the Northwest power pool.

Thus you can readily see that electric lines of Pacific Power are well interconnected in Wyoming with the Bureau of Reclamation. We wheel Bureau power to preference users in Wyoming and the Bureau wheels power for Pacific. By working together, unnecessary duplications of electric transmission lines have been avoided in Wyoming.

It was many years ago that our predecessor company first entered into power-purchase contracts with the Bureau of Reclamation and thus helped to support Wyoming irrigation developments. The amount of power available to us from the Bureau has, of course, diminished as the years have passed, and by 1956 it became necessary for the company to begin construction of a modern 100,000-kilowatt steamplant near Glenrock to meet area needs. This plant is now being doubled in size by the addition of a second unit, which will be completed late in the year.

In harmony with the record of cooperation in Wyoming, we and the Bureau are considering plans whereby Pacific will construct two 115,000-volt lines from our Glenrock plant to tie into the Bureau's transmission system nearby.

PROPOSED ELECTRIC TRANSMISSION LINES

From the map attached, to which I have already referred, you will note that Pacific Power plans to construct additional electric transmission lines in central and southern Wyoming. These plans were outlined formally in our letter of September 29, 1959 to the U.S. Department of the Interior, Bureau of Reclamation, region 4, reading as follows:

"We are now planning for and working on a 230,000-volt circuit from the vicinity of Pilot Butte through Riverton and Lander to a point near Atlantic City, Fremont County, Wyo. It is our intention to extend this 230,000-volt line from Atlantic City to the vicinity of Rock Springs before the middle of 1963.

"Initially, it is expected that these lines will be operated at 115,000 volts but will be so constructed and insulated that the voltage may be raised to 230,000 volts whenever necessary. Our intention is to build enough capacity into these lines to take care of all of the present and foreseeable requirements for electric service in this area.

"In order to thoroughly integrate the Pacific Co.'s system with those of the Bureau and neighboring utilities, we plan to construct at least one 230,000-volt circuit from Casper to Rawlins to Rock Springs and westward to interconnect with the systems of Utah Power & Light Co. and Idaho Power Co. It is our opinion that the construction of this line will be justified prior to the end of 1965.

"These new lines have been under consideration by the company since May 1954, and are a part of the Pacific Co.'s long-range program. They will tie together Pacific Co.'s present generation and other resources which are planned. They also take into consideration present resources of others and the future resources which we know about. It is our belief that this program will be helpful to all concerned."

The Southern Wyoming Utilities Co. at Rock Springs has proposed to construct a high-voltage transmission line, from Rock Springs south across the Wyoming border to Flaming Gorge, of sufficient capacity to transmit power which might be destined for delivery to Wyoming.

WYOMING ENTITLED TO SOME COLORADO RIVER POWER

Inasmuch as drainage water from the State of Wyoming contributes to the feasibility of the upper Colorado River storage project and byproduct electric energy, it is only right that the State should be allocated its fair share of any such power generated. It is the position of Pacific Power to assist, in any practical and economical ways, to insure the citizens of Wyoming a share of Colorado River power.

In the event immediate power requirements of Wyoming preference users are not sufficient to utilize the State's entire allocations of power, Pacific would be willing to accept delivery of any of the State's surplus allocations, when available, in order to insure that Wyoming citizens will retain the State's allocations until such times as the allocated quantities can be utilized by preference customers in the State.

WHEELING ARRANGEMENTS

Pacific Power is now wheeling Bureau power over its transmission system under contracts that are agreeable to both parties. Likewise, the Bureau is wheeling power for Pacific under the same terms.

This arrangement has proven satisfactory to all parties concerned, and we believe a similar arrangement would be equally satisfactory in bringing Colorado River power to Wyoming.

UNNECESSARY DUPLICATION OF TRANSMISSION LINES WASTEFUL

Congress specifically stated in the act authorizing the Upper Colorado River storage project that electric power generation was strictly a byproduct of this vast irrigation and reclamation project, but recognized the potential contributions possible from power sales. Nevertheless, major emphasis of the project should not be placed on generating electric power, which might easily happen.

For instance, proposals have been made for the Federal Government to spend in the neighborhood of $155 to $165 million to deliver Colorado River power

only to preference users, and, it is doubtful, even with such a huge expenditure that further demands will not be made for additional Federal expenditures for transmission lines.

The five electric utility companies mentioned later are already planning to construct transmission lines costing $90 million which could partially take care of distributing Colorado River power to preference users so that it would be necessary for the Federal Government to spend only approximately $42 million for essential transmission lines.

The $90 million expenditure by the investor-owned utility companies for transmission facilities is definitely programed, thus it would appear wasteful for the Federal Government to duplicate these facilities.

Furthermore, the $90 million investment being made by private utilities would result in substantial Federal and local tax revenues.

These taxes are paid as part of the normal service costs of investor-owned, taxpaying electric utilities.

Pacific Power's proposed expenditures for new high-voltage transmission lines in Wyoming, as I have outlined, represents an investment of $17 million.

POWER REQUIREMENTS OF FIVE-STATE AREA IN 1980

Pacific Power has worked closely with the Bureau of Reclamation and the four other electric utilities of the Rocky Mountain area adjoining the upper Colorado River storage project: Arizona Public Service Co., Public Service Co. of Colorado, Public Service Co. of New Mexico, and Utah Power & Light Co., in planning to supply future power needs of the area throughout the next 20 years, and beyond.

Noncoincident peak loads of the five-State area (Arizona, Colorado, New Mexico, Utah, Wyoming) are estimated to increase from about 3,900,000 kilowatts at present to 9,200,000 kilowatts in 1970, and to 20 million kilowatts in 1980. Maximum generation of the upper Colorado River project is 1,100,000 kilowatts, or only 12 percent in 1970 and 5½ percent in 1980, of the five-State area's future power requirements.

Plans are already underway for expansions in electric power generation by the above-named companies for supplying the major requirements of the five-State area's electric power needs for the next two decades.

These are not detailed in my presentation. My only purpose in mentioning them is to point out that the total generation of all upper Colorado River project generation when completed, represents a small portion of the overall future requirements of the five-State area.

CONCLUSION

Since the problem of power allocation for Wyoming has not yet been fully resolved, we sincerely request your careful review and study of this matter to insure that Wyoming citizens will receive a fair and equitable allotment of power from the upper Colorado River storage project.

Also, we wish to emphasize again the importance of acting in the best interest of all of the Nation's taxpayers by avoiding wasteful expenditure for duplication of electric transmission facilities connected with the project.

You may be assured that Pacific Power will continue, as it has for the past 35 years in Wyoming, to work constructives with the Bureau of Reclamation in our electric power planning and operation, to the end that the best interests of all electric customers in the State are properly served and the development of our great State's natural resources insured.

STATEMENT BY D. W. REEVES

My name is D. W. Reeves. I am president of thhe Public Service Co., of New Mexico with principal offices in Albuquerque, N. Mex. Our company provides electric utility service to principal communities in north-central New Mexico, including Albuquerque, Belen, Santa Fe, andd Las Vegas, and to the Deming area in the southwestern part of New Mexico.

I appreciate the opportunity of appearing before you today and should like to outline my views of the power situation in the Rocky Mountain region, with respect to the marketing of the byproduct or incidental hydroelectric energy to be generated by units of the upper Colorado River storage project.

Representatives of the investor-owned, taxpaying electric utilities in the area of the Colorado River storage project have appeared at numerous times before committees of Congress with reference to this project. In every instance, they have supported the project and its basic principle of reclamation and water conservation as being vital to the economy of the area. They have expressed the conviction that incidental electric power to be generated by the project should be marketed at a rate that would make a maximum contribution of power revenues to the irrigation, or participating projects and thus insure the earliest possible completion of the participating projects. For the same reason, the utiilties have expressed the belief that Government expenditures for transmission facilities should be kept to a minimum. This would reduced the required payout of transmission facilities by power revenues and make power revenues available at an earlier date and in large amounts for the participating irrigation projects.

My company has participated with others in studies to determine the power requirements of the entire area for the next 20 years. These studies have involved estimates of the load in the area in 1970 and 1980 and the generating and transmission facilities which the private utilities will require to supply the customers they serve. The studies were expanded to cover the use of these facilities for the purpose of wheeling power to be generated by the Colorado River storage project. Results of these studies have been made available to the Bureau of Reclamation and to other interested bodies. We have had conferences with the Bureau of Reclamation in which both parties were looking for solutions to this problem and attempting to determine the best manner of distribution in order that maximum funds from power revenue will be available to the participating projects at the earliest possible date.

Certain groups have circulated propaganda which centers around the idea that the power from the Colorado River storage project should be made available at ridiculously low rates under conditions which would result in subsidy to certain small, favored power users at the expense of the participating irrigation projects. For this reason, I would like to establish some of the basic principles which should be taken into account in determining the market areas and prices for the electric power.

The intent of Congress is stated in the act. The first sentence in the act which authorized the Colorado River storage project is as follows:

"That, in order to initiate the comprehensive development of the water resources of the Upper Colorado River Basin, for the purposes, among others, of regulating the flow of the Colorado River, storing water for beneficial consumptive use, making it possible for the States of the upper basin to utilize, consistently with the provisions of the Colorado River compact, the apportionments made to and among them in the Colorado River compact and the Upper Colorado River Basin compact, respectively, providing for the reclamation of arid and semiarid land, for the control of floods, and for the generation of hydroelectric power, as an *incident* of the foregoing purposes * * *." [Italic ours.]

It is evident from the foregoing that the act established the fact that power production is incidental to reclamation and the development and conservation of the water resources. This fact seems to have been overlooked by many who appear to believe that electric power generation is the end and principal product of the project. They seem to forget that the act plainly states that the electric power is to be used to provide revenues for the participating irrigation projects. These participating projects as named in the act are clearly irrigation projects.

One of our Senators from New Mexico, the Honorable Clinton P. Anderson, has recognized the business facts of this phase of the project and has stated it well in his statement on the floor of the Senate on January 27, 1960, when he said:

"Overall, the cost of power should cover returns adequate to amortize the Federal investment. When the costs are calculated, the net revenues over and above operating and maintenance costs will provide funds as aid to irrigation in the development of the participating projects in the upper Colorado area."

With these facts in mind, it becomes crystal clear that it was the intent of the Congress that the incidental power should be sold in such a manner as to avoid subsidy to any electric system, whether investor or publicly owned. This means that the rates should be such that the revenue from power sales will provide maximum repayment assistance to retire the costs of the participating projects. It follows that the investment in transmission facilities should be maintained at the lowest possible level to market the power efficiently and that privately owned

existing and planned facilities, which can be used with no additional capital cost to the taxpayers, should be used to the fullest possible extent to accomplish this purpose. If this policy is followed, then the revenues from electric power will, as you and your colleagues intended, make the greatest possible contribution to the participating projects and assure their completion at the earliest possible time. On the other hand, if power is sold to any favored group at rates too low to produce repayment assistance to the reclamation projects, the intent of Congress as expressed in the act will have been negated.

It might be well to evaluate the relative importance of the electric power which will be generated by the project. The fact that the authorized project contemplates the installation of some 1,100,000 kilowatts of generating capacity tends to inflate the importance of this power in relation to the total power requirements of the area. Our utility studies have shown that a total of 9,200,000 kilowatts will be required in 1970 and nearly 20 million kilowatts will be required in 1980 to adequately serve the area. In other words, the total project power represents only about 12 percent of the generating capacity which will be required in 1970 and only 5½ percent of that which will be required by 1980.

A group of preference customers formed a corporation known as Colorado River Basin Consumers Power, Inc., and retained the Kuljian Corp. to prepare a report which has now been completed and circulated. This report recommends Government construction of lines estimated to cost between $155 million and $165 million to deliver power only to preference customers. On the other hand, the report prepared by the five Rocky Mountain utilities, i.e., Utah Power & Light Co., Colorado Public Service Co., Arizona Public Service Co., the Wyoming Division of the Pacific Power & Light Co. and the Public Service Co. of New Mexico contemplates construction of transmission lines by the Federal Government totaling approximately $41 million. These lines, in general, are the "backbone" lines between principal project features and appear to be required by the Bureau in order to meet the longstanding policy of the Department which has been to construct the backbone lines while using the lines of others for marketing. The remainder of the lines necessary to distribute the power will be built by the utilities in any case and can be used to wheel power for the preference users. The investment by the private utilities to construct these lines would amount to an estimated $90 million.

The investor-owned utilities have pointed out that they will build essentially the same facilities to serve their customers regardless of the lines that would be built by the Government to distribute and market Colorado River storage project power to the preference customers. The utilities have offered to make these facilities available for wheeling power to preference users. It is evident that the cost to the Government for wheeling under such arrangements would be less than with a duplicating Government-owned system. Facilities which Public Service Co. of New Mexico will make available for wheeling project power have already been described in a letter dated April 4, 1960, and a firm price established in an offer to the Secretary of Interior. A copy of this offer is submitted for the record.

It should be noted that the offer of the utilities provides for firming of the entire transmission system. The lines described in the Kuljian Corp. report are an economic waste in that they duplicate many of the lines that will be built by the utilities. The lines described in the Kuljian report also do not provide for firming, and that very necessary feature may become the basis for further requests for funds in the future to provide firm service.

There is another concern which is beginning to assure increasing importance to a number of us in the West. For many years, our friends in the East and South have been sympathetic to reclamation projects. We, as westerners, appreciate this understanding and the assistance the East and South have given us in making possible many of the projects essential to the development of the West. I do not believe we can expect our friends in the East and South to continue to support the reclamation projects which are vital to our area if we ask for funds for unnecessary projects. Using the Kuljian Corp.'s estimate on this project, the taxpayers of the Nation would be asked to spend an additional $120 million unnecessarily.

All of us recognize the necessity for a strong, sound government and are aware that such a government costs money and must be paid for by the taxpayers. We believe that the following taxes would accrue to governmental agencies as a result of the expenditures by private companies:

(*a*) To State and local taxing agencies each year, ad valorem taxes, based on prevailing rates in the area on a $90 million investment, of $1,670,000 to $1,800,000.

(*b*) Directly to the Federal Government (see following), Federal income tax, based on a fair return of 6 percent on the $90 million investment with 50 percent of the investment obtained through issuance of 4-percent bonds, of $3,900,000.

In giving consideration to the above figure for Federal income taxes on the $90-million investment proposed by the private companies, two things should be considered: First, as the facilities are depreciated over the life, estimated to be some 40 years, the base upon which the fair return is calculated will be decreased and thus decrease the annual income taxes. Second, a part of the initial annual tax bill may be deferred to later years by use of accelerated depreciation. However, over a 40-year period, allowing for both considerations and assuming that the utilities are actually able to maintain a fair return of 6 percent on the investment, $78 million in direct taxes will accrue to the Federal Government. This $78 million in added revenues to the Federal Government resulting from the private utilities' investment would, if appropriated by the Congress, certainly pay for a lot of irrigation.

(c) Taxes accruing indirectly to the Federal Government annually as a result of private investments:

Federal income tax from individuals receiving income from common stock based on 6 percent on the $90 million investment, ($5,400,000, less $1,800,000 for interest, $3,600,000) and assuming 70 percent of this earning paid as dividends, to individuals in 26-percent tax bracket	$650,000
Federal income tax from recipients of interest on borrowed money assumed to be in 26-percent tax bracket	470,000
Total indirect taxes to Federal Government	1,120,000

Even though, in paragraph 9 of page 3 of the Kuljian Corp. report, taxes are referred to as "academic," to me they are very real and represent a major contribution to the maintenance of our governmental facilities. There is no reason that a select few should be exempt from paying their proportionate share of the taxes attached to any service.

I would like to make this further comment: In New Mexico, and I presume in other places, the rates charged by the investor-owned, taxpaying utilities, notwithstanding the tax burden, are lower than those charged by "preference" systems paying only token taxes or no taxes at all, and, as you know, some of the preference customers are enjoying 2 percent interest on money borrowed from the Government. I would also like to point out to the committee that this power is being developed in an area that has never suffered from power shortages regardless of some of the claims and innuendoes based upon minor, temporary, isolated circumstances.

I should like to make it clear for the record that I do not subscribe to the theory of preference. The preference users already have more than enough advantages and should not be given further advantages at the expense of the participating projects. The power should be sold on a business basis, at the highest prices it will bring, through bids or otherwise, in order to provide these repayments. This would not conflict with the existing preference clause. This clause applies to the allocation of power; not to the price. Further, the support of our Government is an obligation of every citizen. I can see no reason why certain of our citizens served by electric systems classified as preference customers should receive any exemption from supporting government through taxes, nor should the preference classification be used to justify construction of unnecessary and duplicating transmission lines for their sole benefit. The great majority of our citizens, who reside in areas served by an investor-owned taxpaying electric utility, such as ours, pay taxes for the support of our Government in their electric bills. Last year, taxes accounted for 28 cents of every dollar paid us by our customers.

To summarize, the act clearly indicates that it was the intent of Congress that incidental electric power should be sold at rates sufficient to secure the maximum amount of funds for completion of the participating irrigation projects. I believe that the officials of the Bureau of Reclamation want to do the best possible job in marketing Colorado River storage project power for the benefit

of the participating projects and that they want to see that the intent and desires of Congress are carried out. It is my hope and my respectful request that this committee will see that the appropriation bill, as finally enacted, contains language which will be of assistance to the Bureau of Reclamation in securing maximum power revenues for the participating projects. I believe that this language should direct the Bureau of Reclamation to market the incidental Colorado River storage project power at rates and in a manner that will produce maximum revenue for the completion of the participating projects at the earliest possible date.

Of equal importance, I believe that the Bureau of Reclamation should be directed to minimize the investment in transmission facilities to the greatest possible extent by utilizing existing and planned transmission facilities. I believe these provisions would be very helpful to the Bureau of Reclamation in carrying out its responsibilities.

Again, let me express my appreciation for this opportunity to give the committee my views.

STATEMENT OF MR. LUCKING

My name is Walter T. Lucking. I am president of Arizona Public Service Co. which provides electric utility service in 11 of the 14 counties in the State of Arizona, and which has its headquarters in Phoenix, Ariz.

I am appearing before you to tell you about my company's offer to wheel Glen Canyon power for the Bureau of Reclamation. This offer will—

require us to build $35 to $40 million of transmission lines,

give the Bureau a reasonable cost of transmitting power to preference customers and others,

avoid a greater expenditure by the Government,

make maximum use of already installed facilities, and

fit into the needs of the area when generation additions beyond Glen Canyon are required.

I previously appeared before your committee to endorse the upper Colorado River storage project, to stress the need for economic operation of the river's water and power resources, and to foster sound growth and development of the entire region, including Arizona.

Arizona is in both the upper and lower basins of the Colorado River, and receives some power from the lower basin Hoover-Parker-Davis projects. It has been inferred that all the project power ultimately will be sold to the preference customers in the upper basin States.

We continue to endorse the upper Colorado River project and on July 10, after the last appearance before your committee, we were asked by the Bureau of Reclamation to meet, along with other utility representatives, in Salt Lake City. At this meeting there was presented, to the utilities and the preference customers, a map showing the Bureau's proposed transmission system. We were then requested to consider the Bureau's plan.

After studying the Bureau's plan we and the other utility companies here represented, presented on October 1, 1959, a comprehensive plan including Arizona's portion of the transmission network which we propose to build. This transmission plan fits into the long-range plan of our company for the next 20 years. Our plan was made available to the preference customers and interested parties in the State of Arizona as well as others outside of the State. The long-range plan of Arizona Public Service Co. and Utah Power & Light Co. includes building a transmission line interconnecting the two companies at a point on the border of the two adjoining States and very near the Glen Canyon power project. These lines will be available for integration and operation of the Glen Canyon powerplants with the utility-owned systems as well as the Federal powerplants at other locations in the Colorado River Basin.

This plan was offered to the Bureau, and we have met several times outlining the comprehensive transmission network which the utilities would build to do a complete job; i.e., transmitting the private utility companies' power to the marketing areas, and wheeling the upper Colorado River project power to the marketing areas to meet the requirements of the preference users.

A comparison of the utilities' plan with the Bureau's plan clearly shows that, with the utilities plan, less money would be spent by the Federal Government for project transmission requirements. The moneys to be invested by the private utilities would improve the tax structure of the several States, including Arizona,

are particularly the school districts, because invariably the utility companies are the largest single taxpayers in these districts. Tax-free facilities tend to disrupt area tax structures and penalize the school districts.

I want to go on record again today as expressing our willingness to go forward and build the proposed transmission lines, making them available to the Government for the movement of the project's power to the marketing areas, integrating with the utility companies and other neighboring Federal projects, thus producing flexibility for maximum economical use and operation. I am sure terms and conditions of such an arrangement can be worked out to the mutual satisfaction of the Government as well as my company, and the preference users.

In a letter to the Secretary of the Interior my company proposes to wheel the energy to be delivered at market areas in the State of Arizona for preference users. The letter to the Secretary is attached.

I wish to say that there has been good cooperation in meetings with the Bureau representatives. I hope we can continue to work in this same climate for the benefit of all. I sincerely believe this can be accomplished by taking the upper Colorado River project power to market over facilities provided by the utility companies. By reducing the Federal Government's transmission line expenditures, these funds can be used for earlier development of related irrigation projects in the Colorado River Basin.

The statements made by Mr. Naughton in behalf of all our companies are entirely in accord with my thinking, and I urge that consideration be given to the merits of our plan, its soundness, worthwhile economies, and mutual benefits.

Thank you for giving me the opportunity to appear before your committee.

STATEMENT OF ROBERT T. PERSON

Mr. Chairman, members of the committee, my name is Robert T. Person and I am president of Public Service Co. of Colorado. My business address is 900 15th Street, Denver, Colo.

My appearance at this time is primarily to report to this committee progress made to date on cooperative studies between our company and the Bureau of Reclamation with respect to plans for a transmission system to market electric energy to be produced by the Colorado River storage project. In addition, I would also like to comment briefly on the appropriations request of the Bureau for the transmission division of this project currently under consideration by this committee for fiscal year 1961.

As this committee will recall, last year when it became apparent that the Bureau of Reclamation was proceeding with the planning of a transmission system for the project without consulting power users in the area, both the House and Senate Appropriations Committees strongly recommended and directed the Bureau thenceforth to coordinate its study and planning of the transmission system with these groups. (H. Rept. No. 424, 86th Cong., 1st sess., June 2, 1959, p. 25; S. Rept. No. 486, 86th Cong., 1st sess., July 8, 1959, p. 43). The report of the House Committee on Appropriations went further and provided as follows:

". . . none of the funds provided shall be used for additional surveys, rights-of-way acquisition, design or construction work on transmission lines until economic studies to determine proper market areas have been completed and the interested parties in the area advised of the status of planning, the tentative allocations of power, and are given the opportunity to react to proposals of the Bureau for the location and size of transmission lines."

Subsequent to the hearings last year, there have been numerous conferences and joint studies undertaken by the Bureau of Reclamation and the private utilities and preference groups in the area. Speaking for our company, we can state to this committee that there has been excellent cooperation in these matters by the Bureau, and substantial progress has been made. We are certain that the Bureau has made every effort to carry out the spirit of the direction of the Appropriations Committees last year.

The conferences and joint studies undertaken may be briefly recapitulated and summarized as follows:

July 10, 1959: The Bureau of Reclamation presented to the area utilities and preference customers a map showing the Bureau's tentative proposal for a transmission system. No allocations of power were made, but the plan presented was

based on certain tentative assumptions of power flows into the various States of the upper division.

October 1, 1959: The area utilities met with the Bureau and outlined their comprehensive plan for development of a transmission system. This plan is contained in the report entitled "Electric Utility Transmission System Study as Related to Colorado River Storage Project," October 1, 1959. This report will be presented in more detail by another witness but reference to said report is made herewith.

October 13, 1959: At the request of the Bureau, the area utilities presented their transmission plan to the Colorado River Basin preference users and the various interested State agencies.

January–February, 1960: A joint transmission study between the area utilities and the Bureau was undertaken at Phoenix, Ariz. Participating in these studies were also representatives of the various preference user groups. These studies included digital computer studies of the proposed transmission system. The purpose of these studies was to test the flexibility of the proposed system, particularly to determine if such system was flexible enough to allow flows of power into the lower basin. Although these studies have been completed, to date, the results of this study have not been published.

February 25, 1960: Meeting between representatives of the Bureau of Reclamation and the area private utilities to discuss in more detail a letter addressed by regional director, region 4, Bureau of Reclamation, to the area utilities dated January 19, 1960. This letter had acknowledged receipt of the proposed transmission plan of the area utilities and set forth certain principles which in the opinion of the Bureau should be evaluated in any further consideration of the transmission plan presented. Copy of this letter is attached herewith as appendix A.

While substantial progress has been made as a result of these various conferences and joint studies outlined above, the Department of Interior has to date made no allocations of power among the several States, nor has there been any determination made of the power market area or any announcement of any proposed interim rate schedule.

We would like to join the other interested parties and agencies appearing before the committee in this matter in urging that these determinations should be made by the Department of Interior as rapidly as possible.

Referring more particularly to the comprehensive transmission plan proposed by the private companies, I would like to comment briefly on this plan, particularly as it relates to the State of Colorado and to the proposals made by our company as they pertain to the marketing and distribution of power from the project in our State.

As this committee is already advised, it is presently anticipated that initial production of power from the storage project will be available in the year 1964 or 1965 with ultimate capacity available by 1980. Ultimate capacity of project plants is estimated to be 1,100 megawatts.

The tentative transmission plan presented by the Bureau on July 10, 1959, assumed an ultimate power flow into the State of Colorado from the project of 535 megawatts. This initial plan contemplated the construction by the Bureau of a single circuit 345 kilovolt line from Glen Canyon to the Four Corners area in New Mexico near Farmington, then to Curecanti and then to Pueblo; and a single circuit 115 kilovolt line from Flaming Gorge to Oak Creek to market storage project power in the State of Colorado.

In contrast to the initial plan of the Bureau, the comprehensive plan presented by our company as it pertains to Colorado contemplates the construction by the Bureau of the following transmission facilities:

A double circuit 230 kilovolt line from Glen Canyon to Poncha Junction, where the Bureau lines would interconnect with our company's presently existing transmission system;

A single circuit 115 kilovolt line from Flaming Gorge to Oak Creek;

A single circuit 115 kilowatt line from Curecanti to Gunnison and from Curecanti to Montrose.

The transmission lines to be constructed by our company under the plan outlined include the following: 140 circuit miles of 230 kilovolt line from Poncha Junction to Twin Lakes to Denver; 180 circuit miles of 230 kilovolt line from Poncha Junction to Pueblo to Denver; 65 miles of 115 kilovolt line from Cameo, near Grand Junction to Montrose.

Under this plan it is proposed that prior to initial operation of the project plants the Bureau would construct the first 230 kilovolt line from Glen Canyon to

Poncha Junction and the 115 kilovolt line from Flaming Gorge to Oak Creek. All other facilities under the plan would be constructed at a later date, but it is contemplated that such facilities would be in service prior to ultimate operation of the project.

Construction by the company of the facilities outlined above will be in consonance with our company's long-range transmission requirements for the next 20 years, and together with the facilities to be constructed by the Bureau and other existing facilities now in service, will provide the State with a wholly integrated transmission system interconnecting the powerplants of the project with other Federal plants in the State and capable of fully marketing project power as may be required to power users in the area. Operationally, the utmost in service continuity may be assured by integrating the hydroelectric capacity of the project with the large steam generating plants which we presently operate at load centers in the power market area within the State. By the time he first power is produced by the project in 1964 or 1965, our company will have in excess of 1,200 megawatts of thermal generating capacity in operation in the area.

The estimated investment on the part of the companies in the five-state area required to build the transmission facilities proposed is approximately $90 million, leaving only $42 million to be expended by the Bureau. That portion of the facilities to be built by our company as outlined above will cost approximately $19,300,000.

Under this plan, the cost of transmission facilities chargeable to the project are not only substantially reduced, thereby reducing overall project costs, but also the investment represented in facilities constructed by the companies will result in a broadened local tax base in the areas affected inuring to the benefit and support of local governments and school programs in such areas. The facilities to be constructed by the Federal Government will not produce additional tax benefits to the local areas involved.

Reference has been made above to the letter dated January 19, 1960, from the Bureau to the area utilities and to the subsequent meeting on February 25, 1960, with respect thereto. Following this meeting and on April 6, 1960, our company has forwarded a letter to the Secretary of the Interior further implementing our proposals heretofore made in connection with this project. A copy of this letter is attached hereto as appendix B.

Within the framework of the transmission plan outlined in our proposal calling for Federal backbone 230 kilovolt transmission from Glen Canyon to interconnect with our company system at Poncha Junction, we have proposed to wheel project power and energy delivered at the various points of interconnection between the Bureau's system and the company's system to preference customers over the present and proposed company transmission system in Colorado under a wheeling contract similar to the one which we now have with the Colorado-Big Thompson project. The exact terms as to extent of zones, charges, etc., can be more exactly determined when power allocations and market areas are made known. In any event, as we view it at this time, the provisions under any new contract will be no less favorable to preference customers than those incorporated in our present agreements, and could be more favorable depending upon final resolution of the factors named above.

Our company is not dependent on the Federal Government for its power supply and it will not be necessary for us to rely on the Colorado River storage project to meet our future power requirements. Recognizing, however, that net requirements of Colorado preference users for project power may be substantially less than a possible devision of project power capacity for many years, also less than the capability of the Glen-Poncha transmission system and further that maximum revenues must be realized from project power in order to provide repayment to retire costs of the participating projects allocated to irrigation, we have reiterated our willingness to purchase project power and energy not contracted for by preference customers.

This year, the committee has before it, as we understand it, an appropriation request by the Bureau for the transmission division of the project in the amount of $518,000. We believe that at least a part of the funds currently sought may very well be used to continue studies on the plans for the transmission system of the project, provided that such studies will continue to be carried on cooperatively with prospective power users in the area and the various State agencies involved. We do not believe, however, that any part of these funds should be used for reconnaissance surveys or rights-of-way acquisition or to commence construction of any specific transmission line or lines until proper

market areas have been determined, tentative allocations of power made, and interim rate schedules published. Nor should any part of such funds be used for any such purposes without prior approval or authorization of this committee, nor in any case to construct transmission facilities which will duplicate existing facilities of the company or facilities to be constructed by the company as outlined above.

We do not understand that the Bureau for fiscal year 1961 has requested any funds to survey or commence the construction of any specific transmission line or lines or to acquire rights-of-way for such purpose. If this committee is of the opinion that the Bureau during fiscal year 1961 should proceed with construction of any transmission facilities, then we urge and recommend that the committee specifically authorize the use of funds by the Bureau to commence construction of the first of the double circut 230 kilovolt lines from Glen Canyon to Poncha Junction and the single circuit 115 kilovolt line from Flaming Gorge to Oak Creek.

I want to assure this committee again of our company's continuing intention to work cooperatively not only with the Bureau of Reclamation in this matter, but also with the preference users in our State and the various State agencies involved. Our company, from the outset, has supported this project, vitally needed if full development of the water resources of the State and the upper Colorado River Basin is to be achieved. The long-range growth and economic prosperity of our State is highly dependent upon the manner and the extent to which such water resources are developed and put to beneficial and consumptive use.

This project has been authorized by the Congress in order to initiate the comprehensive development of the water resources of the upper Colorado River Basin. As an incident of such purpose, byproduct hydroelectric power is to be produced under a plan whereby revenues from the sale of power will be used to repay all power costs and that portion of irrigation costs assigned for repayment by power revenues. Net revenues from the sale of power are to be credited to the upper Colorado River Basin fund and are to be available for assistance in the construction of additional participating irrigation projects. To the extent that net power revenues may be made available from the project at an early date, such additional participating irrigation projects can be constructed which are vitally needed in the State.

We earnestly believe that the proposals made by our company in connection with this project will contribute substantially to the feasibility of the project. The reduction in transmission costs will reduce overall costs of the project and accelerate the repayment of reimbursable construction costs. If maximum economic benefits to our State, and to the water interests involved, are to be realized from the project, reimbursable construction costs must be retired at a rate commensurate with the needs of the area for rapid development and utilization of its water and land resources.

APPENDIX A

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
REGIONAL OFFICE, REGION 4,
Salt Lake City, Utah, January 19, 1960.

Mr. E. M. NAUGHTON,
President and General Manager,
Utah Power & Light Co.,
Salt Lake City, Utah.

DEAR MR. NAUGHTON: Your letter of September 29 presented to us officially the preliminary plan for transmission lines proposed by the five named public utilities. You are aware of the several meetings and discussions that have been held among interested parties subsequent to your letter of September 29 and your presentation of October 1. I am sure that you are also aware of the studies currently being made cooperatively among the public service companies, the Bureau of Reclamation, and the preference customer groups. We feel the studies now underway are particularly important and pertinent as they are aimed at determining the appropriate transmission system which should be constructed regardless of who might construct any portion thereof.

We will continue to give the proposal of the five utilities careful consideration. In doing this we will consider the proposal in the light of our usual policy and

practice as well as the full context of the pertinent statements contained in congressional committee reports, such as House Document No. 1087, 84th Congress. The latter contains the following:

"Their (the utilities') proposal provides essentially that the Secretary construct the backbone transmission lines connecting major powerplants of the project and that use be made of the existing systems of the companies and additions thereto to market the power.

"The proposal is consistent with the policy expressed by the Congress for many years in appropriation acts and elsewhere whereby the Federal Government builds the basic backbone transmission system and distribution is made through existing systems where satisfactory arrangements can be worked out.

"Therefore, the committee expects the proposal by the private power companies for cooperation in the development to be carefully considered by the Department of the Interior and the electric power and energy of the project to be marketed, so far as possible, through the facilities of the electric utilities operating in the area, provided, of course, that the power preference laws are complied with and project repayment and consumer power rates are not adversely affected."

The observations of the committee parallel the longstanding policy of the Department which has been to construct the backbone transmission lines while utilizing to the extent practicable the lines of others for marketing. This approach has been followed many times to the advantage of all concerned.

While the present proposal would involve the utilities in the construction of backbone lines, and we perceive a number of technical and economic problems in this phase of the proposal, we do not believe that this fact alone should disqualify the plan from further consideration in the light of the overriding legal and policy considerations heretofore noted. These considerations require the evaluation of the proposal under the following principles:

(1) Lines must be of sufficient capacity to assure delivery of available power.

(2) There must be no interference with the ability of the Bureau to serve preference customers to the extent they would be served by federally constructed lines.

(3) Backbone lines must provide suitable integration among Federal project power facilities at the time required to meet project objectives, and project use must at all times be the overriding consideration.

(4) Charges made for delivery of power must not adversely affect project feasibility and payout, and particularly must be such as not to reduce quantity or timing of irrigation assistance.

(5) If utilities construct the backbone high-voltage transmission lines, they must accept also the responsibility of providing transmission for delivery at lower voltages to load centers of preference customers to the same extent as would prevail under a federally constructed system.

The first three of the foregoing stated principles are basically technical in nature, although there is a relationship between principle 2 and principle 5. Principle 4 is necessary to satisfy project feasibility in all of its ramifications. Principle 5 has in it an element of feasibility as well as assurance of full compliance with preference customer laws. We would be glad to discuss the full application, meaning, and understanding of these principles with representatives of the utilities and the preference customers, States, and others at an early opportunity, if you believe such discussion to be desirable.

Sincerely yours,

E. O. LARSON, *Regional Director.*

ADVERTISEMENTS BY POWER COMPANIES

Mr. CANNON. Mr. Naughton, are these five utilities which you represent members of the independent light and power companies which are buying full-page advertisements in all of the national periodicals?

Mr. NAUGHTON. My company is a member of that group. Are any of the others not members of that group? Three are not: Arizona Public Service, Utah Power & Light Co., and Public Service Co. of Colorado.

Mr. CANNON. I understand the cost of full-page advertisements in these national periodicals is very high. The money which pays for these advertisements comes from your customers, does it not?

Mr. NAUGHTON. Yes, sir.

Mr. CANNON. You are using the money of your customers in disseminating some of the most misleading propaganda I ever read in my life, in an attempt to prejudice the public against public power. Have you anything further, Mr. Naughton?

Mr. NAUGHTON. I would like to comment upon the chairman's statement.

Mr. CANNON. We shall be very glad to hear you.

Mr. NAUGHTON. Mr. Chairman, you referred to it as propaganda. I feel it is my obligation as president of Utah Power & Light Co. to inform our customers as to what is happening. Taxes are certainly a just and proper element of cost. I think it is proper that we inform them of that fact.

I would not say in any sense of the word that it was ever propaganda. Of course, you and I are entitled to our different points of view.

Mr. CANNON. Every one of these full-page advertisements tries to leave the impression with the public that this cost of public power is paid for by the taxpayers. They all invested in them, but nobody who ever reads those mendacious pages paid for at the cost of thousands and thousands of dollars of their customers' money would ever get that impression.

Mr. NAUGHTON. Mr. Chairman, to my knowledge, the laws of no State permit a municipality or require a municipality to pay State income taxes, nor do the laws of any State, to my knowledge, require them to pay Federal income taxes. We talk about those two taxes. You eliminate those two taxes and you will never hear from us.

Mr. CANNON. Nobody reading these advertisements would fail to get the impression which you try to disseminate, that every public power cooperative and every consumer of public power is living to that extent at the expense of the public taxpayers of the country. You do not call attention to the fact that the large amount of money you pay for these advertisements must be charged to your customers in addition to the very large and increasing dividends which you have drawn from your customers in the last few years.

Mr. NAUGHTON. Mr. Cannon, the yield on our common stock—we only have one type of stock—at the present time is running about 3½ percent. On the basis of our earnings per share of common stock, we pay out in dividends approximately 68 percent.

Mr. CANNON. These are the largest dividends you have ever paid. Evidently, public power has not in any way taken from you any of your customers or depreciated your income or depreciated your dividends. You still have enough left to pay this enormous amount that is paid for all these full-page advertisements of propaganda.

Mr. NAUGHTON. Mr. Chairman, I suppose you and I could argue all morning on that subject.

Mr. CANNON. I thought it was very significant when you tried to charge this propaganda expense as a business expense in your income

tax and the income-tax people said "No, that is not a business expense, that is propaganda," and refused to let you charge it. I thought it was rather significant.

Mr. NAUGHTON. Mr. Chairman, I am very proud of the work that the independent electric light and power companies have done by way of informing the American people as to what is going on. I will also continue to carry out what I feel is my obligation to inform my customers as to the difference between the two concepts. I can assure you that neither my customers nor my stockholders object to what we are doing.

Mr. CANNON. I rather doubt that in the case of your customers. They don't know they are being overcharged to pay for these ads. Doubtless, your stockholders are pleased with it. They hope to get more dividends at the expense of the consumer.

But I do note that in these full-page advertisements, where you have plenty of room, you never say anything about the tax writeoffs which you enjoy and which are at the expense of the revenues of the U.S. Government.

Mr. NAUGHTON. Mr. Cannon, that is your statement. Our company does not enjoy nor have we asked for any tax writeoffs, as you refer to them.

Mr. CANNON. The industry as a whole has had many tax writeoffs in large sums, which are purely a Government subsidy.

Mr. NAUGHTON. But nevertheless legal.

Mr. CANNON. Legal but you do not mention it in your advertisements. And they are subsidies pure and simple.

Mr. JENSEN. Mr. Chairman.

Mr. CANNON. The gentleman from Iowa.

Mr. JENSEN. We had quite a colloquy on this very subject before your group appeared, I may say. If you will read the colloquy between Mr. Cannon and me, I am sure you will be fully aware of Mr. Cannon's position on this matter and my position.

May I say, in addition to what I said previously, that I feel you have a responsibility as an official of the private utilities, you being simply a hired man of the stockholders of your company, as are other officials of other companies, you have the responsibility to defend the position which you take as private enterprise.

Now, when you talk about the expenses that are incurred by your publicity in the defense of private utilities, it is a mere drop in the bucket compared to what the taxpayers of America have been paying for many, many, many years to employees of the Federal Government in their attempt to bring about complete Federal power domination.

I collected information and documented it over a period of 15 years, and I put that information in a speech which I inserted in the Congressional Record, naming names of many of the folks who for many years did everything they could to bring about complete Federal ownership of our power-producing and transmission facilities. We have antitrust laws which control private industry, but we have no law that can control Federal domination, should we let it go to its ultimate end, as many people in America think it should go.

So I do not object to any group in the private industry field, from the greatest private enterprise, agriculture, to the largest corporation in America, who attempt to protect their business. I think it is a duty to do so.

I have pointed out that the people in many areas who use power from private utilities pay for that power, regardless of what the rate may be, they pay for the power that is produced and transmitted in that area instead of having the cost of that power imposed on all the taxpayers of America.

It is true that about 91 percent of all the appropriations that Congress makes for the production and transmission of power is reimbursed over a period of approximately 50 years. However, at the present rate of interest it is all subsidized because the interest which is paid is only about 2½ percent on an average, and today the interest rate on Federal bonds is over 4 percent. So the taxpayers of all America pay part of the cost of producing power that is furnished in any particular area by the Federal Government, which is not true if it is furnished by private utilities, because, as I say, whatever the rate is, it is paid for by the people in the respective area where the power is produced and transmitted.

Now, as I said before you appeared this morning, I belong to that school of thought which feels that there is a place for Federal power, private power, REA power, municipal power, public utility department power, and in every area where those organizations cooperate fully there we have adequate power at reasonable rates.

Mr. Chairman, I felt it necessary for me to state my position. I have sat on this committee for 18 years. I apologize to no one for helping appropriate hundreds of millions of dollars for Federal powerlines. Generally speaking, the committee has pretty well agreed on those appropriations.

But I do want private industry to receive their just due because if the day ever comes when they do not, that will be a bad day for this great, blessed land of ours. That is all.

Mr. CANNON. Our time is short. I trust it is not necessary for me to repeat, as I have said before, that there has been no dominance by public power in the power field. Through my long acquaintance of many years in the House, I never have yet known a single Member of Congress who took the position that the Federal Government should monopolize the production and distribution of power.

As I have said repeatedly, we believe that private utilities should handle the large bulk of the business in the United States, production and distribution of power. All we are trying to do is protect these few cooperatives and the few instances of public power against the efforts of the power trust to destroy them.

Let me repeat that every dollar for public power is paid back and paid back with interest. It is not at the expense of the taxpayer, but it is for the benefit of the consumers. The private power people cannot profiteer on the consumer as long as we have a yardstick by which to measure a fair charge. That is why private power is opposed to these few instances, this small percentage of public power, because they want to raise the rates on the consumer to all the traffic will bear. They cannot do it as long as we have these little yardsticks here,

there, and yonder which show how reasonably and how cheaply power can be produced.

Reference has been made to the fact that the interest varies. Of course it does. For a while it was very high. Now it is coming down. But it was a solemn contract made, and no one who makes a contract as the years pass by, regardless of what changes may come in the market for money or in the market for material or in the market for labor, changes that contract—he stays by his contract. In the end, through the ups and downs, public power pays back every dollar it receives, pays it back with interest.

Mr. FENTON. Mr. Chairman.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. Mr. Chairman, it certainly appears to me that the utilities represented here today made an excellent offer to wheel power to preference customers to absorb and utilize the project power surplus to the needs of such customers during the early years of the project. It is indicated that this plan would relieve the Federal Government of $90 million for transmission line construction, would provide considerable revenue to the project prior to full development of the preference customer load. Under the present fiscal condition of our Government, I believe it is highly desirable to hold down Federal expenditures wherever possible and, of course, in that regard I do have several questions I would like to ask of Mr. Naughton.

Mr. CANNON. The gentleman from Pennsylvania.

Mr. FENTON. Mr. Naughton, the Bureau of Reclamation recently testified before this committee that they proposed to construct a backbone system of 345 kilovolts from Glen Canyon to Springville, Utah, area; 345 kilovolts from Glen Canyon to the Prescott, Ariz., area; and 345 kilovolts from Glen Canyon to Four Corners; and then northeasterly into Colorado; and a 345-kilovolt line down into the Albuquerque area.

It appears to me that most of these lines will duplicate or parallel lines that are now being constructed or are scheduled to be constructed by companies represented by you here today. Is this true? If so, will you indicate in the transcript when it comes back to you which of these lines would duplicate or parallel lines the companies are now constructing or are planning to construct.

Mr. NAUGHTON. I will be glad to, Dr. Fenton. Shall I do it here?

Mr. FENTON. I think to conserve time you had better put it in the record.

Mr. NAUGHTON. Very well, sir.

(The information to be supplied follows:)

The Bureau's 345-kilovolt line from Glen to Springville will parallel approximately 240 miles of line of Utah Power and Light Co. (230 kilovolts). The Bureau's proposed Springville-Flaming Gorge line will parallel 100 miles of 138 kilovolt line now under construction by my company. The proposed Bureau line from Glen Canyon to Phoenix would be a duplication of some 270 miles of Arizona Public Service Co. line. They propose to duplicate 180 miles of Public Service Co. of New Mexico line from Four Corners to Albuquerque, N. Mex. All of the lines proposed by the Bureau that you just referred to except the proposed Bureau lines into Colorado would be duplicating or paralleling lines.

Mr. NAUGHTON. Would you like my comment also on the 345,000-volt aspect of it?

Mr. FENTON. Yes, but later on.

Is it also true that the companies represented here today have from the very beginning of the Colorado River storage project, in fact prior to its authorization, repeatedly made it clear that they would cooperate in every way to provide needed transmission lines and would wheel power to the preference users at reasonable rates? Are your companies now wheeling Federal power to preference customers?

Mr. NAUGHTON. Yes, sir, we are, Dr. Fenton, every one of us. We have very satisfactory relations.

Mr. FENTON. How much of the proposed wheeling rate would go for Federal taxes and how much for State and local taxes?

Mr. NAUGHTON. I will answer from my own company. Out of the 1.55-mill rate, 30 percent of that would go for total taxes, which is about a half mill. The half mill would split almost equally two ways, one part to the Federal Government for income taxes, the other part for various levels of local government.

Mr. FENTON. You may enlarge on that for the record, if you will.

Mr. NAUGHTON. All right, sir.

Mr. FENTON. I believe your statement says that one section of the 230-kilovolt transmission line between Salt Lake City area and the Arizona Public Service Co. area at Flagstaff is now under construction by the Utah Power & Light Co. and the Arizona Public Service Co. Is it not true that you plan on completing this interconnection regardless of whether or not the Glen Canyon power is wheeled over such lines?

Mr. NAUGHTON. Yes, sir.

Mr. FENTON. When was the decision reached to build this line?

Mr. NAUGHTON. About 3 years ago our company announced that it was going to build in the year 1960 a 70-mile section of line between Nephi and Richfield, Utah, that our long-range planning indicated that we would be required to build. That line would also be the first leg of a line which we would build from Salt Lake City to Glen Canyon. The five companies appointed an engineering study team several years ago, and this team held periodic meetings with the presidents of the companies and the chief engineers of the companies. We concluded late last summer that it would be in the interest of the Arizona Company and the Utah Company to build an interconnecting line. A firm decision was made to construct the interconnection at that time.

Arizona's peak occurs in the summertime because of air-conditioning loads and irrigation pumping loads. The Utah Company's load occurs in the wintertime. A mutual assistance pact between the two companies will permit integration of capacity, all of which will benfit the customers of the respective companies.

Mr. FENTON. You may enlarge on that, if you care to, in the transcript.

I would like to record my understanding that the Bureau of Reclamation, private utilities, and preference customers' engineers have pretty much come to agreement on what main transmission lines and voltages will be needed to meet the future power needs of the area. Is it not true that this report we heard about here today, the Kuljian report, of the preference customer groups concludes that that 230

kilovolts is the proper voltage for the transmission lines needed to dispose of the Colorado River project power?

Mr. NAUGHTON. Yes, Dr. Fenton. I had the opportunity to read the Kuljian report about 3 weeks ago, and it states categorically that 230,000 is the proper voltage for the lines. In other words, it is my understanding that Mr. McPhail of the Kuljian Co. did a good deal of that work, and I think Mr. McPhail's findings parallel those of our engineering team of the five companies.

Mr. FENTON. Is it not true the Bureau of Reclamation 345-kilovolt transmission-line voltage proposal mentioned earlier is at variance with the indicated understanding between the three interested groups?

Mr. NAUGHTON. I would say definitely that the engineers of the private companies, and I believe Mr. McPhail as engineer for certain of the preference groups at least, do not degree with the Bureau engineers as to the need for 345,000. Our group studied that very carefully.

345,000 volts is extremely expensive, being almost three times as expensive to build as 230,000. Furthermore, to connect to 345,000 at various intervals is tremendously expensive as compared to 230,000. The difficulty lies basically that we as western utilities are not large enough now nor will we be large enough in the next 20 years to justify voltages of that magnitude. 345,000-volt lines have capacities of about 400,000 kilowatts. Our largest units at the present time, as far as my own company is concerned—and I believe it is true of the other companies here—is 100,000 kilowatts. It will be 1963 before we have 150,000. If we had to operate with 345,000-volt lines, we would have too many eggs in one basket. We would have to increase our reserve generating capacity. It is just not workable.

Furthermore, our engineers conducted the largest transmission board study ever conducted in the United States. They put all these various lines on a board and studied them under certain circumstances of loading and switching operations. I believe the study clearly showed that 345,000 volts would not stay in step and would cause unnecessary outages and system disturbances and interruptions that could not possibly be justified.

Mr. FENTON. You may enlarge on that.

Mr. NAUGHTON. Thank you, sir.

Mr. FENTON. Mr. Naughton, your company has offered to build certain transmission lines?

Mr. NAUGHTON. Yes, sir.

Mr. FENTON. Did you pick the easiest lines and leave the most expensive and difficult ones to the Government?

Mr. NAUGHTON. Dr. Fenton, I do not believe you will find a more isolated spot in the United States than Glen Canyon. Just no one lives there. It is about 280 miles from that point to Salt Lake City, and our company will build 155 miles without seeing any town at all.

In addition to that, we are now building a line from the middle of Utah to the extreme southwestern part of Utah. Part of that line is being built by my company and part of it by the California Pacific Utilities Co.

In addition, my company has just started to build a line from the coalfield area into the extreme northeastern Utah. Our reason for

being able to do it is that there is a load in the northeastern Utah area brought about by a resource that will be put to beneficial use. No one can accuse my company of picking the easy lines.

The same thing obtains in Arizona, the same thing obtains in New Mexico, the same thing occurs in Wyoming, and, to the degree that the Colorado company is going to build lines they took them as they came on geography. No one can ever accuse the private companies of picking nice easy lines.

Mr. FENTON. That is a favorite question that comes up every now and then.

It is noted on the map attached to your prepared statement that the Bureau of Reclamation lines are indicated from Glen Canyon to Four Corners to Curecanti and Poncha, also from Flaming Gorge to Oak Creek. Could these lines be constructed by the private utilities or are they of such nature to be needed only by the Bureau and the preference customers?

Mr. NAUGHTON. The line between Glen Canyon over to Four Corners, if it be needed, and further work and thought is going to be given, would be for the benefit of the Bureau because the Arizona Public Service Co. is going to build in northwestern New Mexico what it calls its Four Corners plant. There is a tremendous coal supply there, there is water there. What will happen is that Glen Canyon power will go down to Phoenix and Four Corners power will go into New Mexico and into Colorado.

So the displacement effect there means that Glen Canyon is brought 200 miles closer to Santa Fe and Denver. That line definitely, if it be necessary, is the obligation of the Bureau.

The Oak Creek line is in northwestern Colorado and that line goes over to a preference customer area and the Colorado utilities have not seen it wise to build that.

Mr. Person, do you want to answer the question with reference to the high-voltage line?

Mr. PERSON. As far as Colorado is concerned, the line from Four Corners to Poncha Junction was decided on from a number of viewpoints. One of them, of course, was keeping in mind that the Curecanti Dam was to be built and also the fact that a substantial portion of the service that might be served off that line passed through what is largely, I think, preference customer territory.

We have a very logical connection point at Poncha Junction, at which that could be tied in, keeping in mind the original premise upon which the upper Colorado was authorized, the engineering principles involved, the position of the preference customers, backbone, as well as physical facilities owned by our company, it seemed like a very logical manner in which to approach our studies of this question.

Mr. FENTON. It appears that the Curecanti project power costs would be in excess of the expected power rate. If this is true, and, as a result, this project is not constructed, in your opinion could any of the Bureau's proposed transmission lines be eliminated?

Mr. PERSON. I assume that would be the case. Of course, our own view is one of looking at this primarily from the standpoint of the water and its benefits to our territory. I realize that it has been contended, at least, that the cost of generation at Curecanti might be

higher than at Flaming Gorge or Glen Canyon. However, in averaging the prices out and in keeping in mind the need for water storage, conservation, irrigation and all of those factors—reclamation, all of those factors which attest themselves to this project—we feel that the construction of Curecanti is the desirable move.

Consequently, we have just assumed that it is in the project, will be in the project, and perhaps should be in the project.

Mr. FENTON. That is all, Mr. Chairman. Thank you.

Mr. CANNON. We should not lose sight of the basic issue here, which is that after these installations have been built with the money of the taxpayers, whether the taxpayers should get the benefit of these dams built at Government expense or whether the private utilities would be allowed to build the lines and drain off the advantages so that the money that is invested by the taxpayers in the installation would be really for the benefit of the private utilities rather than for the public. That is the principal question before us in these transmission lines.

Thank you for appearing today.

HAWAII PROJECTS

Mr. CANNON. We have received from the Hawaii State Chamber of Commerce a listing indicating local interest priority on harbor projects, which we will place in the record at this point.

State of Hawaii—Federal Aid Harbor Projects—civil works program: Honolulu district engineer, U.S. Army Corps of Engineers

Priority assignments, 1960	Congress authorized	Priority	Remarks
I. Project investigations:			
Harbors for light draft vessels: Coast of Hawaiian Islands [1].	Feb. 17, 1950	1	$40,000 to date; $350,000 needed.
Honolulu: Deepening harbor and channel.	July 19, 1956	2	$28,000 needed.
Hilo: Modifications to include surge, breakwater, project line, small boat anchorage.	May 19, 1957	3	$30,000 to date; $110,000 needed.
Kaunakakai: Modification to deepwater harbor.	Apr. 9, 1957	4	To be completed June 1960.
Hilo: Harbor seawall	July 24, 1956	5	Do.
Barbers Point	July 16, 1958	6	$48,000 needed.
Kewaloand Ala Wai: Breakwaters.	May 17, 1950	7	$20,000 needed.
Honolulu: Anchorage area (explosives).	Apr. 21, 1950	(2)	
Hilo: Lava barrier	Sept. 27, 1951	(3)	$35,000 needed.
Kalaupapa [1]	Mar. 2, 1945	(3)	$6,000 needed.
Lahaina	Sept. 27, 1951	(3)	$26,000 needed.
II. Completed project investigations (ready for congressional construction authorization):			
Kahului: Enlargement of turning basin.		1	In omnibus bill.
III. Construction projects:			
Honolulu: 2d entrance channel (Kalihi).	Sept. 3, 1954	1	$1,200,000 needed to complete.
Kahului: Enlargement of turning basin.		2	$140,000 appropriated fiscal year 1960, not released for lack of project authorization.
IV. Operation and maintenance:			
Kahului: Breakwater improvement.		1	
Honolulu: Dredging cleanup		2	

[1] Harbors for light draft vessels: This project includes study of approximately forty proposed sites, including terminal ports for inter-island ferry systems.
Approved by the Hawaii State Chamber of Commerce, Feb. 12, 1960.
[2] Pending report of Governor.
[3] Unassigned.

RECOMMENDATIONS OF THE CHAMBER OF COMMERCE OF THE UNITED STATES

Mr. CANNON. We have received the usual recommendations from the U.S. Chamber of Commerce which I will include in the record together with my acknowledgment.

CHAMBER OF COMMERCE OF THE UNITED STATES,
LEGISLATIVE DEPARTMENT,
Washington, D.C., April 13, 1960.

Hon. CLARENCE CANNON,
Chairman, Subcommittee on Public Works Appropriations, House Appropriations Committee, House Office Building, Washington, D.C.

DEAR MR. CANNON: On the basis of our analysis of the President's 1961 budget, the chamber of commerce of the United States recommends that the appropriations for public works be reduced as outlined in the following table:

	Recommended reduction
Tennesse Valley Authority	$7,449,000
Department of the Army, civil	7,038,000
Department of the Interior	15,240,000
Total	29,727,000

Continuing concern over the inflationary force of excessive Government spending is essential under present economic conditions. Every inflationary force should be curbed wherever possible. The chamber believes that possibilities for cutting down unnecessary or unwise Government spending are present in the vast public works program. We are convinced, from an examination of the proposed budget, that reductions can be made in the appropriation accounts detailed in the following paragraphs. Since your committee has available to it much more information concerning the public works program, we anticipate that additional opportunities for reduction will become apparent to you.

TENNESSEE VALLEY AUTHORITY

The national chamber recommends reducing the TVA appropriation by $7,449,000. The fertilizer production and test program, for which $3,399,000 was requested, constitutes an unwarranted commercial enterprise conducted by this Government agency and should be discontinued. The budget request provides for construction of the Melton Hill Dam and Reservoir on the Clinch River. Estimated costs of this multipurpose project are $4,050,000 for 1961 and $34 million for completion. The national chamber recommends that the expansion of TVA power facilities be restrained, because the production and sale of electric power is properly a function of private industry rather than the Federal Government.

The burden on taxpayers generally is compounded by having the Federal power sold below market price because costs such as interest and taxes have been omitted from price determinations.

DEPARTMENT OF THE ARMY—CIVIL

Rivers, harbors, and flood control

Operation and maintenance.—The "Operation and maintenance" budget request for 1961 is $125 million, an increase of $6,765,000 over the 1960 appropriations. The increase would provide for a staff expansion of 179 employees at a cost of $1 million, and for an increase of $3.5 million for "Other contractual services." Almost half of the funds requested ($59.4 million) will be for the operation and maintenance of 123 channel and harbor projects. The request for fiscal 1960 for the operation and maintenance of 194 channel and harbor projects was only $56,470,000. There is no apparent justification for requesting more personnel and funds for a program with a 37-percent decrease in the number of projects to be handled. We recommend that this appropriation be reduced by $6,765,000.

General expenses.—This appropriation request of $12,120,000 is for executive direction and management of the Corps of Engineers. While the amount is less

than the fiscal 1960 appropriation, it excludes $732,000 for activities transferred to "Operation and maintenance." Consequently, the corps is actually seeking more for such overhead than in 1960. The national chamber sees no justification for an increase in this activity, other than $255,000 which is the amount necessary to provide increases in salary as required by law. Your committee is urged to reduce this appropriation by $273,000.

DEPARTMENT OF THE INTERIOR

Bonneville Power Administration

Construction.—The 1961 budget request includes $6,515,000 for starting construction of new transmission and substation capacity to carry to load centers the power production of Federal and non-Federal generating installations scheduled to be in operation by July 1964 and to meet service requirements of power customers. This Federal expenditure would not be necessary if the power were marketed at the dams where it is generated.

The expansion of the Bonneville Power Administration activities should be curtailed. The resultant Federal Government domination of the region's natural resources is inconsistent with the American free enterprise system. With inflationary pressures ever dangerous, it is necessary that Federal expenditures be kept at the lowest level which will provide essential public services and the requirements of national safety. It is urged that these construction projects be curtailed or postponed until inflationary pressures subside.

Beyond this, Bonneville Power Administration marketing policies should be revised under the direction of the proper congressional committee, to provide for direct sales of Federal power at the dams. If power produced at Federal dams were sold directly to local utilities, there would be no need for the construction of Federal transmission facilities.

Operation and maintenance.—The 1961 budget request for Bonneville Power Administration provides for a staff expansion of 54 at an estimated cost of $350,000. Data presented in the budget indicates a very slight increase in some phases of the operation and maintenance activities, but not sufficient to justify a 5 percent increase in personnel. It is urged that your committee recommend a reduction of $350,000 in this appropriation.

SOUTHEASTERN POWER ADMINISTRATION

Operation and maintenance.—The fiscal 1961 budget request is $800,000. The function of Southeastern Power Administration in marketing power generated at 14 Corps of Engineers hydroelectric plants constitutes an unwarranted business activity of the Government. The function of power marketing could be assumed by local utility firms now serving as contract carriers for the Federal power, with direct sales by the Government to the utility companies at the dams. If this business function were assumed by private enterprise this appropriation would be unnecessary.

SOUTHWESTERN POWER ADMINISTRATION

Amounts requested for fiscal 1961 are: Construction, $1,325,000; continuing fund, $5 million; and operation and maintenance, $1,250,000. We recommend no appropriation to the continuing fund or for construction. The Southwestern Power Administration represents Government competition with private enterprise, using tax revenues collected from all to help subsidize certain power users.

The purchase and transmission of non-Federal power should not involve use of Federal funds. Local power needs should be met by local utility companies without Federal financing or subsidy. Federal responsibility should not go beyond seeing that power at any Federal project is made available to local utilities without preference or discrimination as to type of users. The return of this activity to its proper place in private enterprise would permit the discontinuance of all Federal appropriations for the Southwestern Power Administration, including operation and maintenance.

PROPOSED NEW CONSTRUCTION

There undoubtedly will be requests from sponsors of new or enlarged local public works to provide funds for projects they deem essential from the local point of view. While it is entirely natural that these requests be made, we

urge the committee to resist them to the extent that they do not meet the test of essentiality from a national perspective.

The Corps of Engineers has requested $21 million to cover fiscal year 1961 costs of 31 new construction starts which have estimated total commitments of $301 million. The Bureau of Reclamation is requesting $6 million in the coming year to start six new projects with total estimated commitments of $184 million. After evaluating the justifications submitted to your committee, you are urged to resist each project that is not essential from a national viewpoint.

I would appreciate having this letter made a part of the record of hearings on the public works appropriation bill for 1961.

Cordially yours,

CLARENCE R. MILES, *Manager.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., April 18, 1960.

Mr. CLARENCE R. MILES,
U.S. Chamber of Commerce,
Washington, D.C.

DEAR MR. MILES: Have received for inclusion in our public works hearings, at your request, the chamber of commerce letter of April 13, 1960.

Am amazed to find your National Chamber proposals at great variance with the requests and proposals of most of your State and city chambers which appeared before the Public Works Subcommittee in connection with water resources and power projects. Most of their proposals were, of course, to increase the budget and include unbudgeted items in contrast to your proposals for reductions throughout the public works budget.

Sincerely yours,

CLARENCE CANNON, *Chairman.*

Mr. CANNON. We shall insert in the record the following statements and letters which have been received for consideration by the committee.

(The matter referred to follows:)

YAQUINA BAY AND HARBOR, OREG.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 26, 1960.

Hon. CLARENCE CANNON,
Chairman, Appropriations Committee,
House Office Building, Washington, D.C.

DEAR COLLEAGUE: I am writing with respect to funds to provide for continued planning and engineering on improvements to Yaquina Bay and Harbor, Oreg.

You will recall that last year your committee at my request approved $100,000 to initiate planning on this meritorious project. The Corps of Engineers during the coming fiscal year can economically expend $300,000 to continue its planning and engineering work on the project and I am gratified that this amount was recommended in the President's budget. Your committee is aware of the very favorable benefit-to-cost ratio that will result from the proposed improvements to Yaquina Bay and Harbor. It should also be noted that timber inventories in the tributary area completed by the U.S. Forest Service subsequent to the Board of Engineers for Rivers and Harbors estimate reveal that the benefits potential is much greater than first calculated.

The proposed improvements on this project are urgently needed and when completed will substantially improve the economy of a large area in Oregon.

I respectfully request that your committee approve the funds requested.

With best wishes, I am,

Sincerely,

WALTER NORBLAD.

FLOOD CONTROL, WAUKESHA COUNTY, WIS.

U.S. SENATE,
COMMITTEE ON AGRICULTURE AND FORESTRY,
April 13, 1960.

Hon. CLARENCE CANNON,
Chairman, Public Works Subcommittee, Committee on Appropriations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate very much the opportunity to present my views to this subcommittee on the very serious flood which hit Waukesha County and the city of Waukesha 2 weeks ago. It has caused deep concern among all of us in Wisconsin, for we feel that some attention should be given to the basic causes of the tragedy which again this year has caused considerable loss and even greater danger to lives and property in the Fox River Basin in and around Waukesha.

Three hundred homes had water in their basements, the water purification system was drowned out for a period of several days, the Barstow Street dam was damaged, and 2,000 feet of railroad track under water resulted in disrupted rail service for 3 days. The danger to bridges, utilities, and hundreds of private homes is reported to have been very great even where no actual damage was sustained in this year's flood.

The rapidly growing population of this area and the resultant increase in building and water runoff has made the question of widening and deepening the Fox River an urgent one. The prospects, unless some action is taken, are for a worsening situation with floods likely to occur in any spring which will cause damage even greater than this year.

Thirty years ago the 71st Congress recognized the need for flood control work on the Fox River and directed the Army Corps of Engineers to review the problem. In 1949 the Committee on Public Works of the House of Representatives authorized the Corps of Engineers to make an investigation of the Fox River in the interests of flood control. That nothing has been done is indeed unfortunate, for in addition to the fact that the river has flooded many times since then, it probably would have been easier and less expensive to solve the problem at that time. It seems to me that at this late date the least we can do is begin a study of the situation so that plans for a permanent solution can be made. The Corps of Engineers has said that $25,000 can be effectively utilized for this purpose in fiscal 1961. This is a modest request and in order to get a start on a solution to this problem, I urge the approval of these funds.

The responsibility of the Federal Government to at least study the problem seems to me very clear. How much better it would be to exercise this responsibility now while the problem can be solved by studies and carefully planned action than to wait until a few years hence when we might very well have to pour greater sums of money into Waukesha County because, through neglect, it has become a disaster area.

Sincerely,

WILLIAM PROXMIRE, *U.S. Senator.*

MONMOUTH-DALLAS RECLAMATION PROJECT, OREGON

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 26, 1960.

Hon. CLARENCE CANNON,
Chairman, Appropriations Committee,
House Office Building, Washington, D.C.

DEAR COLLEAGUE: I am writing with respect to the need of funds requested by the Department of the Interior for a feasibility study of the Monmouth-Dallas reclamation project, Oregon.

The signed acreage goal for this project has been met and the feasibility study should now get underway. An adequate, dependable water supply in the Monmouth-Dallas area is essential for maximum agricultural production. I can assure the committee there is a compelling need for this meritorious project and I am confident the feasibility report will show clearly the substantial economic benefits to be derived.

I respectfully urge your committee to approve $28,000 requested by the Department of the Interior for the feasibility study of the Monmouth-Dallas project on which local interests have already expended considerable money and effort.

With best wishes, I am,

Sincerely,

WALTER NORBLAD.

LITTLE CALUMET RIVER FLOOD CONTROL, ILL. AND IND.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 2, 1960.

Hon. CLARENCE CANNON,
Chairman, Public Works Subcommittee, House Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: The first congressional district of Indiana and the fourth congressional district of Illinois, which we represent, respectively, is made up principally of the Calumet industrial region adjacent to the city of Chicago. The Little Calumet River, which runs through our districts and eventually joins up with the Illinois and Mississippi Rivers, has inflicted floods in the area during the periods of heavy rains and spring thaws.

A flood control project for this area was authorized by the Corps of Army Engineers by the Flood Control Act of 1954. In the first session of this Congress, $9,800 was appropriated, permitting the Corps of Engineers to commence a resurvey of the Little Calumet River in Illinois and Indiana. The district engineers have requested the sum of $25,000 for fiscal 1961 for survey work; however, I understand that only $10,000 has been included in the budget request before your committee.

We are most anxious that this flood control work be completed because during the last 10 or 15 years, numerous homes have been built along the basin of the Little Calumet River. These periodical floods damaged the homes and property in this area to the extent of hundreds of thousands of dollars during excessive rainfall periods. We, therefore, join in requesting your honorable body to recommend to the Congress the appropriation of $25,000 in the Public Works project legislation which will come under consideration by your committee.

Sincerely yours,

RAY J. MADDEN,
EDWARD J. DERWINSKI,
Members of Congress.

UPPER MISSISSIPPI FLOOD CONTROL PROGRAM

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 6, 1960.

MR. CHAIRMAN: I would like to add my testimony in support of the upper Mississippi flood control program for the protection of over 300,000 acres and some 3,325 miles of levee. With annual damages estimated in excess of $4 million the approval of this program is most urgent for the protection of over 500,000 people living in this area.

I believe the Upper Mississippi Flood Control Association representing levee and drainage districts bordering on the upper Mississippi in Illinois, Iowa, and Missouri have well stated the problem when they called attention to the upper Mississippi River development, started some 25 years ago; and the threefold program set forth in the original legislation.

1. A series of locks and dams to provide a 9-foot navigation channel.
2. A series of upstream reservoirs on tributaries to stabilize river flows.
3. The rebuilding of the levees along the main stem to withstand the additional water pressures and quantities of the 9-foot channel.

While the locks and dams have been completed and the upstream reservoirs are being built, the levees now need attention.

I am genuinely interested in this program and it has may wholehearted support. I respectfully urge that the members of your committee give it their most earnest study and favorable consideration.

ROBERT B. CHIPERFIELD,
Member of Congress.

CHANNEL IMPROVEMENT, PORT OF NEW YORK AND NEW JERSEY

STATEMENT OF REPRESENTATIVE FLORENCE P. DWYER

Mr. Chairman, I appreciate the opportunity to express my strong support of the fiscal year 1961 channel improvement program for the port of New York and New Jersey.

As members of the committee know, funds in the amount of $5,722,900 are being requested for the next fiscal year. This request represents the best judgment of the Port of New York Authority, interested industry groups, civic agencies, local governing bodies and the U.S. Army Corps of Engineers as to the minimum Federal contribution necessary to maintain channel development progress in the world's greatest and most important harbor area.

It should be emphasized that in the context of overall port development in the United States, this is a very modest request. It is not only one of the lowest harbor improvement requests submitted in many years for the New York-New Jersey port, but the total amount requested is approximately 23 percent less than the actual appropriation approved by Congress for the current fiscal year.

In the area of federally aided public works programs, Mr. Chairman, it is difficult to conceive of a better investment in terms of the public interest than that involved in this request. More than 25 percent of the Nation's general cargo exports and imports travel through the port of New York. No section of our country is unaffected by the ability of the port to handle this cargo expeditiously and securely. To continue to do so, however—to keep abreast of the changing needs and increasing requirements for more and deeper and wider channels—it is essential that sufficient funds be appropriated to permit proper scheduling of the necessary work.

The present request, as I have indicated, is the minimum amount necessary to take care of present essentials. So far as I can see, there is no "fat" in this request which can safely be trimmed. Each proposed project has been the result of careful study and has been designed to meet specific needs arising from the technological and economic changes affecting the port area.

I should like to illustrate this point, Mr. Chairman, by referring to one of the individual projects which is of special interest to me and to the area I represent.

This is the request for $36,000 for completion of the authorized study of the Passaic River-Newark Bay area which was initiated last year by the Corps of Engineers. Among the recommendations now being studied by the Army Engineers are several which will determine the future of this immensely important part of the port area. They include a study of the navigational and railroad problems at the Central Railroad of New Jersey bridge at Elizabeth; construction of an emergency maneuvering area off Port Elizabeth; the incorporation of the Port Elizabeth channels into the present Federal channel system in Newark Bay; the widening of the present channel to 500 feet and dredging it to 35 feet; and widening and dredging the channel up the Passaic River.

The significance of this section of the New Jersey-New York port can be appreciated by noting the plans for developing Port Elizabeth, the newest marine terminal development in the port area. The first stage in the $150 million project involved the largest dredging program ever undertaken by the port authority—the removal of 13 million cubic yards of material to create a huge channel 600 to 800 feet wide, 35 feet deep, and extending 9,000 feet in-shore from the Federal channel in Newark Bay.

Designed to be the "Port of the Future," the Elizabeth Port Authority project contains over 700 acres of land, and the master plan calls for a terminal that will include 24 vessel berths supported by 400 acres of transit and open storage areas and more than 5 million square feet of cargo distribution buildings. Altogether, Port Elizabeth facilities are planned to handle some 5 million tons of general cargo a year—nearly as much cargo as is now handled by all the port authority terminals throughout the entire port area.

The experience of the adjacent Port Newark is also revealing of the vast development in the port area. Though still under construction, Port Newark has already become the country's leading foreign car import center and handled nearly 3 million tons of general cargo in 1959. Its payrolls included nearly 4,000 workers who received nearly $20 million in 1959.

Consequently, Mr. Chairman, the proposed investment of $36,000 in Federal funds to help plan the further development of this area can be seen to be good business.

This is true, I suggest, of all the projects recommended for the Port New York-New Jersey area for fiscal 1961. This vast port is not simply for the convenience of the 16 million residents of the Metropolitan New York region, though it could readily be justified on this basis alone. The New Jersey-New York Port is preeminently a national port—the principal port of the greatest Nation on earth. The security and welfare of all our people are thus directly related to the progress and development of the port.

For this reason, Mr. Chairman, I strongly endorse the present request.

Thank you very much.

ACQUISITION OF LAND, BARKLEY RESERVOIR

STATEMENT OF FORREST V. DURAND, DIRECTOR, TENNESSEE GAME AND FISH COMMISSION

Stewart County, Tenn., has the potential of being developed into a tourist, hunter's and fisherman's paradise. It has a great historical background and this is evidenced by historical markers and developed locations attractively laid out for tourists, to enable them to observe in detail the strategically important Civil War, Fort Henry-Fort Donelson campaign. The focal point is the Fort Donelson Military Park which lies adjacent to the picturesque town of Dover located on a high bluff above the Cumberland River. Buildings still stand which were there during this campaign and in which important and far-reaching decisions were made. The Cumberland River itself, famous in story and history, flows below. Even for the casual tourist, Stewart County has much to offer.

Bordering the county on the west is Kentucky Lake, one of the Nation's top fishing areas. Barkley Reservoir, for all intent and purposes, bisects the county. The two great reservoirs are to be connected by a canal; thus, water sports of all description will be facilitated and this area will be the key-point in water traffic between the great U.S. Engineer Reservoirs on the Cumberland River, and the TVA impoundments on the Tennessee River which constitute the "Great Lakes of the South." These two great bodies of water bounding or located within Stewart County, and their tributaries, will create a fishing resource potential of practically unlimited scope.

Much of the county is heavily wooded and through the efforts of the Tennessee Game and Fish Commission a good deer herd has been established and small game hunting abounds. Through the cooperative efforts of the U.S. Fish and Wildlife Service and the Tennessee Game and Fish Commission, Kentucky Lake has been developed into an outstanding waterfowl shooting area. Further factors to consider are the military holdings connected with Fort Campbell in the northwest part of the county which form a game reserve, and the Stewart State Forest in the southern part of the county.

This presents Stewart County as it is today. It is an area of great possibilities so far as tourist attraction, recreational, and hunting and fishing possibilities are concerned. It is the Tennessee Game and Fish Commission's wish to help develop these potentials which will result to the benefit, not only of Stewart County, but to the State of Tennessee, indeed, to the entire central portion of the United States, when the growing need for recreational areas in the face of growing pressure for such facilities is considered.

The Tennessee Game and Fish Commission expects to continue with the development of the county's deer herd and possibly with the introduction of other big game species to the end of, within a few years, establishing this as one of the really good big game areas in the State. We are constantly working to take advantage of our great reservoir areas to develop better and better fishing facilities, both for the sports and commercial fisherman. We believe that the creation of Barkley Reservoir will enable us to develop an additional, fine waterfowl shooting area. It lies strategically favorable for this.

We have a very fine working relationship with the U.S. Engineers in middle Tennessee which has enabled us to do some very constructive development work along this line on the Old Hickory and Cheatham Reservoirs. This development has not been limited to waterfowl shooting and refuge areas, but has also been expanded into the field of upland game bird production. The immense flats and shallow areas incident to Barkley Reservoir's creation will afford an outstanding opportunity for such further development, and our plans are to take full advantage of this opportunity, however, refuge areas are essential to properly producing shooting areas.

Establishment of the Cross Creeks Refuge is vital to the proper development of areas farther downstream as a shooting area. Indeed, it is a vital segment in our plans for the entire area.

It is the Tennessee Game and Fish Commission's considered hope that those who hold in their hands the final authority as to whether or not the comparably small addition of fee simple acquisition will be made which will be necessary to enable the U.S. Fish and Wildlife Service to develop the Cross Creeks area into a refuge, will decide favorably on doing this.

Our hopes and our plans for this county and for this region are great and they are based in a very vital way upon the establishment of this refuge.

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF FISH AND WILDLIFE RESOURCES,
Frankfort, Ky., March 21, 1960.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CANNON: I have learned that hearings on the public works bill relative to appropriation of moneys for land acquisition to replace losses at Kentucky Woodlands Refuge resulting from the impoundment of Barkley Lake will be held soon.

We, in this department have been deeply concerned about the expected effects of flooding of portions of the refuge for two reasons: (1) we consider the refuge a key factor in waterfowl management in western Kentucky, (2) we are dependent on the refuge as a source of wild turkey and deer stock for transplantation to other regions of the State. We feel that removal of large areas of lowland from the refuge management program will be reflected in very considerable losses to Kentucky sportsmen. For this reason, I strongly urge that moneys be made available for replacement of habitat at Kentucky Woodlands.

I have made a careful review of a report entitled "A Detailed Design for Replacement of Kentucky Woodlands National Wildlife Refuge in Relation to Barkley Lake and Dam, Kentucky and Tennessee, No. 1, Real Estate," submitted by the regional director, Fish and Wildlife Service, to the district engineer, Corps of Engineers, Nashville in September 1958. I concur in the recommendations set forth in this report. In my opinion, the proposed plan of acquisition will permit replacement of a significant amount of habitat at the lowest possible cost. I would like to point out, also, that this report has been brought to the attention of our commission and the Kentucky League of Sportsmen, and that both groups have gone on record as favoring adoption of these proposals.

I would appreciate learning when the hearing is to be held and whether my personal testimony is desired.

Sincerely yours,

MINOR E. CLARK, *Commissioner.*

YELLOWTAIL DAM, MONT.

BIG HORN COUNTY,
OFFICE OF CLERK AND RECORDER,
Hardin, Mont., April 7, 1960.

Hon. Congressman MICHAEL KIRWAN,
Chairman of Subcommittee on Interior Appropriations, House of Representatives
Office Building, Washington, D.C.

DEAR CONGRESSMAN KIRWAN: We are informed that a hearing will be held within the next few days on the matter of appropriation of funds for the construction of the Yellowtail project in Montana. This project is located in Big Horn County, Mont., and it is of vital interest to our local and State government. As a result thereof the board of county commissioners have adopted a resolution requesting the power feature of the project be owned and operated by a private utility.

Enclosed is a certified copy of the resolution passed and adopted by the county commissioners of Big Horn County, Mont., for your consideration and for the consideration of the appropriate committees of Congress.

Very truly yours,

CARY V. MABE,
Chairman, Board of County Commissioners.

RESOLUTION

Whereas the Congress of the United States has under consideration an appropriation for the construction of the Yellowtail project on the Big Horn River in Big Horn County, Mont., which it has heretofore authorized; and

Whereas Pacific Power & Light Co. and the Montana Power Co. by a letter dated April 25, 1956, addressed to Hon. Clarence A. Davis, Under Secretary of the Interior submitted a proposal whereby those companies would construct, own, and operate the powerplant, switchyard and transmission facilities at the Yellowstail project necessary to produce and transmit the electric power to load centers in Wyoming and Montana paying to the United States an annual rental for the use of the Government dam and reservoir; and

Whereas the Board of County Commissioners of Big Horn County, Mont, has been informed that said utility companies are prepared to submit a modification of said proposal to the Secretary of the Interior based on a recent revision of the estimated construction costs made by the Bureau of Reclamation; and

Whereas the Federal Government would benefit under such proposal from:

1. The payment to it by the utility companies of an annual rental for the use of the Yellowtail Dam and Reservoir;

2. The very substantial reduction in the cost of construction of the Yellowtail project;

3. The receipt over the years of large amounts of Federal income taxes which would be paid by said utility companies; and

4. Being relieved from certain operation expenses in connection with the dam and reservoir; and

Whereas the local and State governments would receive each year very substantial payment of taxes levied upon the power facilities constructed by said utility companies; and

Whereas residents of Montana and Wyoming would benefit from the availability of an additional supply of electric power to be distributed by the said utility companies under the jurisdiction of the respective State Public Service Commisisons: Now, therefore, be it

Resolved, That the Board of County Commissioners of Big Horn County, Mont., being of the opinion that construction of the power facilities at the Yellowtail project on the Big Horn River in Montana by a private utility or private utilities company would be in the best interest of the United States and of the residents of Montana and Wyoming, urges that the Bureau of Reclamation be requested to enter into negotiations with private utility companies for the purpose of working out the details of an agreement whereby the power generation and transmission facilities at the Yellowtail project shall be constructed, owned, and operated by private utility companies and the United States shall receive annual rental for the use by such companies of the dam, reservoir, and appurtenant facilities to be constructed and owned by the Government.

STATE OF MONTANA,
County of Big Horn, ss:

I, Harry E. Cox, the duly elected, qualified, and acting county clerk and recorder of Big Horn County, Mont., do hereby certify that the within and foregoing copy of resolution is a true and correct copy of a resolution which was duly passed, adopted, and approved by the board of county commissioners of Big Horn County, Mont., at a regular meeting of said board of county commissioners held on the 6th day of April 1960.

In witness whereof, I have hereunto set my hand and affixed my official seal this 6th day of April AD 1960.

HARRY E. COX,
County Clerk and Recorder of Big Horn County, Mont.

CONEWANGO RESERVOIR, N.Y.

WASHINGTON, D.C., *April 7, 1960.*

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee, House Office Building, Washington, D.C.

DEAR CHAIRMAN CANNON: I am George Latta Barrus, 220 Latta Road, Rochester, N.Y. I wish to thank you and your committee for an opportunity to express my approval of the plan for the Conewango Reservoir as recommended by Dr. Arthur Morgan, consultant for the Seneca Nation.

After graduation from the University of Rochester in 1906, I worked 2 years on topographic and preliminary survey for the barge canal for New York State Department of Public Works. After graduating from the University of Michigan in 1910, I worked as State forester for the New York Conservation Commission. This work involved travel throughout the State, and to Salamanca, N.Y., for inspection of the State forest nursery near the Allegheny Reservation.

I am appearing as an individual taxpayer and member of the Religious Society of Friends. My approval is given to a statement which came out of a seminar held at Albuquerque, N. Mex., February 4–7, 1960, where Friends meetings were represented from coast to coast:

"We have met in a State whose numerous Indian citizens give it a distinctive character. We have gathered in worship and felt warm fellowship with Indian friends from varied tribal backgrounds, finding much in the Quaker search for religious truth which harmonizes with an instinctive Indian approach toward life and nature. From these valued experiences, we have gained a heightened sense of the special significance of many elements in the Indian's culture which spring from his basic feeling for the land and its resources, and from his characteristic tribal and family patterns of living. The retention of these cultural elements seems very often to be of special importance to the wholesome personality of the individual Indian, whether seeking to make the most of his reservation's often meager resources or striving to compete and adjust in an environment dominated by non-Indian concepts. It is equally important that this distinctive culture be preserved so that we, who so often feel the imbalance and incompleteness of our own lives, may draw wisdom and inspiration from the sensitivity, serenity, and spiritual wholeness found in so many Indian lives. We believe it possible to approach our friends in this spirit while remaining faithful to our Christian heritage.

"In 1794, a treaty was negotiated between the United States and the Iroquois Confederacy. The Indians would not sign this treaty until a delegation of Quakers came to assure them of the good faith of the United States. This treaty, signed by George Washington, assured the Seneca Nation of certain lands in western New York State in perpetuity. The construction of the Kinzua Dam, which has been authorized by Congress, would violate this treaty by flooding nearly all of the best of this land.

"We protest this action. Competent engineers have testified that more adequate flood control can be provided without damaging Seneca interests. It is important that the Government of the United States, which is interested in promoting good faith among nations in the world today, should keep faith with the Seneca Indians. No genuinely impartial survey of alternate possibilities, as was suggested by the House Appropriations Committee in 1959, has been carried out."

I have not found in my travels anyone who does not have confidence in Dr. Morgan's recommendation of the Conewango Reservoir as being better for all concerned than Kinzua Dam. If you will approve of the Conewango Reservoir and prevent breaking the treaties made with the Seneca Nation, not only in 1794, but also 1682, it will be worth untold millions to our democracy from the standpoint of leadership in making peace in the world and in our foreign trade. Even though it cost $200,000 to study this plan, and even though the Army Engineers may have spent $10 million on the Kinzua project, we might better lose that money than our honor.

Let us remember the credo signed by George Washington and appearing before the world on our postage stamps: "Observe good faith and justice toward all nations." Here is an opportunity to practice this with the Seneca Nation.

The flood protection of the area from Jamestown to Salamanca and the Pennsylvania line is something not provided by Kinzua Dam. Furthermore, the tripled supply of water for Pittsburgh industry and that on the Ohio River, from the Conewango Reservoir, seems a priceless advantage over Kinzua.

I trust you will give this matter the same friendly concern as expressed in the words of William Penn when he spoke to several tribes, including the Seneca Nation, assembled at Philadelphia in 1682. The tribe sealed the treaty by giving wampum to William Penn and Voltaire spoke of the treaty as "the only treaty never signed and never broken." William Penn spoke as follows:

"The Great Spirit rules in the heavens and in the earth. He knows that we have come here in the hearty desire to live with you in peace. We use no hostile weapons against our enemies. Good faith and good will are our defenses. We believe you will deal justly and kindly by us as we deal justly and kindly by you. We will not be to you as brothers—brothers sometimes contend with brothers. We will not be to you as fathers with children—fathers sometimes punish their children. Nor shall our friendship be as a chain that rust may weaken, that the tree may fall upon and sunder. We will be as one heart, one head, one body; that if one suffers, the other suffers; that if anything changes the one, it shall change the other. We will go along the pathway of good-will-to-each-other together."

Respectfully yours,

GEORGE LATTA BARRUS.

POTOMAC RIVER STUDY

GETTYSBURG, PA., *April 12, 1960.*

HON. CLARENCE A. CANNON,
Chairman, House Appropriations Committee, U.S. House of Representatives, Washington, D.C.:

Pennsylvania Rural Electric Association, Inc., representing 13 cooperatives with a membership of 76,000 urges to use adequate appropriations to allow Corp of Engineers to finish Potomac River study without retardation. Please place our request in record of hearing.

ADAMS ELECTRIC COOPERATIVE,
C. A. KLUCK.

STATEMENT BY GEN. T. M. OSBORNE ON BEHALF OF THE FEDERAL CITY COUNCIL

My name is Gen. Theodore M. Osborne. I am acting chairman of the Potomac Basin Committee of the Federal City Council. The council is a nonprofit, nonpartisan organization including 89 Washington members and 55 national advisory members, all of whom work actively to promote major projects designed to improve the Nation's Capital.

I am here today to set forth our position with respect to the Potomac Basin survey. You gentlemen already have the necessary facts and figures on this project, and I intend to complete my statement in less than the 5-minute limit allocated to each public witness at this hearing.

Our position is simply this:

We support completion of the survey at the earliest possible date. This is a must in order that we may have the engineering facts required for intelligent decisions respecting Washington's future water supply, including pollution abatement and flood control. To assure this, we urge your committee to approve at least $400,000 to carry the survey through fiscal 1961.

It seems to us that the need for this action is overwhelmingly obvious. Today, Washington, D.C., the showcase of democracy, is served by a river which in recent years has been just as well noted for its sewage and silt as for its historic associations—a river insufficient to supply the city's water needs should a drought occur—and a river which, without proper planning, is patently inadequate to meet the future water requirements of this region.

While most other major cities have long ago gone to work to develop their rivers and assure their water supplies, we in the Nation's Capital, are still in the talking stage.

We talk about Washington's exploding population and the fact that at least 5½ million persons are expected to inhabit this region by the year 2010.

We talk about our region's increasing urbanization and industrial development, which are expected to intensify in the years ahead.

We deplore the Potomac's polluted condition, and recognize that without impoundment and regulation of flow, Washington cannot possibly hope to have adequate future water supplies.

But, gentlemen, I submit that the time for mere talk is over. Washington's threatened water crisis is not a long-term affair. It will be upon us tomorrow and we should start acting to prevent it today.

Unless positive action is taken to assure our future water supplies, the Nation's Capital faces intensified pollution headaches within the next year or two—and a major water shortage in less than 20 years.

Even under the most favorable circumstances, it will require at least 1 year to complete the Potomac Basin Survey.

As a retired officer with long experience in river development, I can testify that it will probably require at least 10 years to build our first impoundment facility, once that facility has been decided upon.

To avoid any further delays, we should seek all the answers to our water-supply problems at once, rather than developing them one at a time. Therefore, we urge that Congress provide for a scope of investigation sufficiently broad to include all essential water resource needs of the area, which are water supply, pollution abatement, and flood control.

This, gentlemen, concludes our position. It can really be summed up in six words: "Let's get on with the job." By flashing the green light for the Potomac Basin survey to move ahead, your committee can help guarantee the adequate water supply which is so indispensable to Washington's future as the Nation's Capital—and as a living city.

Thank you.

FLOOD CONTROL, WATER CONSERVATION AND NAVIGATION PROJECTS, TEXAS

STATEMENT OF J. E. STURROCK, GENERAL MANAGER, TEXAS WATER CONSERVATION ASSOCIATION, AUSTIN, TEX.

Re appropriations for civil functions, Corps of Engineers, U.S. Army, for fiscal year 1961.

Mr. Chairman and members of the committee, my name is J. E. Sturrock. I reside in Austin, Tex., and I am general manager of the Texas Water Conservation Association, a statewide organization dedicated to the task of promoting the sound and orderly development, conservation, protection, and utilization of the water resources of Texas for all beneficial purposes. The association represents all major classifications of water use, including flood control, water conservation, navigation, and allied purposes.

I am very pleased to again have the privilege of appearing before this committee to testify on behalf of my organization in support of appropriations for the Corps of Engineers for investigations, planning, and construction of flood control, water conservation, and navigation projects in Texas.

Many members of the Texas Water Conservation Association, members of the Texas delegation in Congress, and other local sponsors have testified, or will testify, in support of appropriation requests for Corps of Engineers' projects in Texas and I shall not burden the committee with repetitious details on each project. However, I do wish to list the several projects and add my organization's support to that of the various sponsors.

We strongly urge that you approve the full amount budgeted for the Corps of Engineers' investigations, special studies and planning on the Texas projects listed below for the fiscal year 1961, and to carefully consider increasing the budgeted projects and the addition of unbudgeted projects as shown in the column headed "Additional Capability."

Project	Tentative breakdown approved budget amount	Additional capability
INVESTIGATIONS		
Alvin to Gulf Intracoastal Waterway		$3,900
Austin-Washington (SCD)		15,000
Brazoria-Galveston (SCD)		16,000
Brazos River and tributaries above Whitney		25,000
Buffalo Bayou (comprehensive)		30,000
Calhoun-Victoria	$30,000	5,000
Clear Creek and Clear Lake		5,300
Clear Fork of Brazos River (Abilene)	25,800	None
Copano Bay (SCD)		5,000
Corpus Christi Pass		7,500
Davidson Creek		20,000
East Fork of Trinity River (including modification of Lavon)		3,000
El Paso	20,000	35,500
Galveston Harbor and Channel, Texas City Channel and Houston Ship Channel		4,500
Guadalupe River (modification and local cooperation requirements)		300
Guadalupe and San Antonio Rivers		40,000
Gulf Intracoastal Waterway—Brazos and Colorado River Crossings		3,100
Gulf Intracoastal Waterway—Channel to Harlingen and Harbor of Refuge at Rio Hondo		7,500
Gulf Intracoastal Waterway—channel to Palacios		4,000
Gulf Intracoastal Waterway—channel to Riveria and Kingsville		300
Gulf Intracoastal Waterway—main channel, Texas section	5,000	None
Gulf Intracoastal Waterway—San Bernard River		1,800
Gulf Intracoastal Waterway—small boat harbor, Port Isabel		2,220
Houston Ship Channel—lower San Jacinto River		3,200
Houston Ship Channel—Goose Creek		7,000
Houston Ship Channel and Buffalo Bayou, Vince and Little Vince Bayous		500
Lavaca and Navidad Rivers (extension to Edna)		7,000
Lower Rio Grande Valley		1,000
Matagorda County (SCD)		5,000
Navasota (SCD)		5,000
Neches River (N)		30,000
Neches River (FC)	20,000	5,000
North Bosque River (Stephenville)		30,000
Nueces River and tributaries		35,000
Pecos River (vicinity Alpine)		30,000
Port Arthur—Sabine Lake erosion		3,000
Rio Grande and tributaries—Anthony Arroyo		30,000
Sabine River and tributaries (N)		30,000
Sabine River and tributaries (FC)	40,000	10,000
Sabine Neches Waterway (N)	25,000	None
Sanchez Creek		15,000
San Felipe Creek		20,000
San Jacinto River and Cypress Creek		25,000
Taylors Bayou		4,000
Lake Kemp Wichita River		4,000
SPECIAL STUDIES		
Colorado River	118,000	82,000
Corpus Christi (hurricane)	33,100	None
Palacios (hurricane)		7,500
Port Isabel (hurricane)		3,800
Port Lavaca (hurricane)		2,000
Rockport (hurricane)		2,700
Texas gulf coast (hurricane)		20,000
Trinity River and tributaries	250,000	71,000
Arkansas and Red Rivers pollution study		150,000
PLANNING		
Eastland Channel improvements		34,000
Somerville Reservoir	100,000	None
Matagorda Ship Channel	266,000	80,000
Mill Creek (Brazos River)		1,200
Texas City (Flood protection)	169,000	None
Pecos, Tex	51,000	None
Bardwell Reservoir		125,000

The board of directors of the Texas Water Conservation Association has authorized me to support, before congressional committees, appropriation requests for all authorized Corps of Engineers projects in Texas. Therefore, on behalf of my association, I also wish to urge that the committee approve the

funds budgeted for Corps of Engineers construction of the Texas projects listed below and to give careful consideration to increasing the budgeted projects and the addition of the unbudgeted projects as shown in the column headed "Additional capability."

Construction

Project	Approved budget amount	Additional capability
Aquatic plant control	$15,000	None
Brazos Island Harbor	100,000	None
Buffalo Bayou	2,500,000	$1,000,000
Cooper Reservoir	2,000,000	250,000
Corpus Christi Bridge	512,000	None
Ferrells Bridge (recreational facilities)	30,000	71,000
Freeport Harbor:		
36 feet	636,000	None
38 feet	263,000	None
Galveston Harbor and Channel:		
Seawall	2,700,000	None
36 feet		600,000
Gulf Intracoastal Waterway:		
Channel to Victoria	1,400,000	300,000
Colorado River channel	956,000	None
Channel to Port Mansfield	1,600,000	None
Houston Ship Channel (36 to 42 feet)		1,500,000
Matagorda Ship Channel (12-foot channel)		540,000
Port Aransas-Corpus Christi Waterway:		
36-foot channel to Corpus Christi	1,500,000	500,000
Channel to Viola		600,000
Main Channel to Corpus Christi (42 to 40 feet)		800,000
Jewel Fulton		113,000
Sabine-Neches Waterway	1,800,000	2,000,000
Texas City flood protection		200,000
Canyon Dam and Reservoir	2,900,000	800,000
McGee Bend Dam Reservoir	6,000,000	1,600,000
Navarro Mills Reservoir	3,100,000	1,225,000
San Antonio Channel improvement	1,100,000	100,000
Waco Dam and Reservoir	11,000,000	None
Proctor Reservoir	1,600,000	1,700,000
Stillhouse Hollow Reservoir (Lampasas)		500,000
Belton Reservoir (recreational facilities)	90,000	84,000
Benbrook Reservoir (recreational facilities)	95,000	110,200
Dam B	40,000	40,300
Grapevine Reservoir (recreational facilities)	90,000	72,600
Hords Creek Reservoir (recreational facilities)	35,000	38,300
Lavon Reservoir (recreational facilities)	65,000	69,800
Lewisville Reservoir (recreational facilities)	125,000	128,600
San Angelo Reservoir (recreational facilities)	60,000	54,000
Whitney Reservoir (recreational facilities)	75,000	49,500
Denison Reservoir (recreational facilities)	135,000	365,000
Texarkana Reservoir (recreational facilities)	25,000	72,000

I requested the Corps of Engineers for information as to the corps capabilities from a strictly engineering standpoint considering each study and project by itself without reference to the overall program, overall capabilities or fiscal considerations. The corps very graciously furnished me this information which is reflected in the column headed "Additional capability." The amounts shown in this column could be utilized for the applicable projects in fiscal year 1961 in addition to the approved budget amounts. Of course, I know the amounts included in the President's budget represent maximum amounts which may be utilized by the corps in view of overall budget considerations, unless the Congress directs otherwise.

These several projects have the enthusiastic support of local interests involved, and will contribute substantially to the economy of Texas and the Nation.

Recent actions by the Congress and the administration show that both are very much concerned over the long-range water picture in this country. We in Texas also are very much concerned. During the long drought which ended in the spring of 1957, Federal aid to drought-stricken farmers and ranchers in Texas amounted to more than $223 million, in addition to the cost to water-short cities, towns, and industries. The drought was followed by devastating floods in widespread areas causing damages estimated at more than $80 million and

resulting in more millions of dollars being poured into Texas in the form of flood relief. These conditions are recurring. In fact, the Nation's leading weather scientists are predicting that Texas and the Southwest will experience a much more severe drought than the last one within the next 15 years. I submit that it is good business to construct works which will prevent or lessen the recurring losses resulting from droughts and floods.

The projects herein supported will help alleviate these recurring conditions and add wealth producing facilities to the economy of the Nation.

Again I wish to thank the committee for the privilege of presenting this statement on behalf of the Texas Water Conservation Association.

RECLAMATION PROJECTS, TEXAS

STATEMENT OF J. E. STURROCK, GENERAL MANAGER, TEXAS WATER CONSERVATION ASSOCIATION, AUSTIN, TEX., RE APPROPRIATIONS FOR BUREAU OF RECLAMATION FOR FISCAL YEAR 1961

Mr. Chairman and members of the committee, my name is J. E. Sturrock. I reside in Austin, Tex., and I am general manager of the Texas Water Conservation Association, a statewide organization dedicated to the task of promoting the sound and orderly development, conservation, protection, and utilization of the water resources of Texas for all beneficial purposes. The association represents all major classifications of water use including irrigation.

I am very pleased to again have the privilege of appearing before this committee to testify on behalf of my organization in support of appropriations for the Bureau of Reclamation for its investigations in Texas and for construction of the San Angelo project; the Mercedes and La Feria divisions of the lower Rio Grande rehabilitation projects; and the El Paso County Water Improvement District No. 1 rehabilitation and betterment project.

Since the McMillan Delta project on the Pecos River in New Mexico, including the salinity alleviation program, will be of great benefit to the Pecos River Valley water users in Texas, I also appear in support of this project.

The Bureau's Texas investigations are largely concentrated in its Texas basins project investigation, which covers all of the State except the Texas portions of the Red and Canadian River Basins. The investigation has been in progress since 1955 for the primary purpose of developing a comprehensive plan for providing assistance under the Federal reclamation laws for solution of Texas water supply problems. The Bureau's report presenting such a plan originally was scheduled for completion in fiscal year 1961. It has been necessary, however, for the Bureau to reschedule completion of its report for fiscal year 1963 as a result of establishment of the U.S. Study Commission on the Neches, Trinity, Brazos, Colorado, Guadalupe, San Antonio, Neuces, and San Jacinto River Basins and areas under Public Law 85–843, enacted in August 1958. The area covered by the Texas basins project includes the Texas portions of the Sabine and Rio Grande Basins in addition to the area of responsibility assigned to the Commission.

The Commission membership consists of five Federal members—representing the Federal Power Commission and the Department of Army, Commerce, Interior, and Health, Education, and Welfare—plus a representative from each of the eight river basins and the Texas Board of Water Engineers, together with a non-Federal chairman. The Commission is charged with formulation of a comprehensive and integrated plan for development of the land and water resources of the area for all purposes and preparation of a report thereon, which is scheduled for completion at the end of fiscal year 1961. The Commission includes adequate representation for all interests and agencies concerned with solution of Texas water problems. It therefore is exceptionally well qualified to coordinate and reconcile the diverse and sometimes divergent views of those interests and agencies.

To provide the coordination of effort required for effective accomplishment of its task, the Commission necessarily must rely heavily on the participating Federal agencies, the Texas Board of Water Engineers, and the various State-constituted river authorities with planning responsibilities to provide essential technical data, plans, and findings in their specialized fields and area of responsibility. Consequently, adequate financing of the programs of the concerned Federal agencies is essential, if the work of the Study Commission is to be fully effective. In addition, these agencies must be enabled to carry on needed plan-

ning activities for Texas areas not included in the Study Commission area and for formulation of the more detailed plans that are required in seeking authorization for specific developments.

My association, which includes representation from all fields of water resource development in Texas, strongly supports the programs of the Study Commission and the participating Federal agencies. Both individually and collectively, our membership will contribute everything it can to the success of these programs. One of the primary objectives of the Texas Water Conservation Association from its very inception has been formulation of a truly comprehensive and effective statewide plan for control and development of our State's water resources in the public interest. We now have the necessary tools available for achieving this objective in the various State and Federal agencies. All that is now needed is adequate financing for these agencies over the next few years. Any delay in completion of a statewide plan due to lack of adequate financing of investigations activities will be costly indeed. Any money that is saved by reductions in current planning funds will be much more than offset by the economic losses our State and the Nation will incur through resulting delays in getting essential projects into construction. Many years are needed for planning, authorization, and construction of major water resource projects. This process must begin soon if we are to avoid economic losses in the 1970's due to failure to solve our water problems. Early development of a generally acceptable statewide plan is an essential prerequisite to initiation of necessary detailed planning for many of the projects that will be needed by that time.

This urgent need for expediting planning for development of Texas water resources is the basis for my association's support for the Bureau's Texas basins project investigation. Water supply for irrigation and for municipal and industrial purposes is this agency's special field, and water supply is our State's No. 1 water problem. The results to date of the Bureau's Texas basins project investigation have been provided to the Study Commission for its use and will contribute greatly to speedy and effective completion of the Commission's task. The Bureau's program in turn will benefit greatly from the Commission's efforts. Completion of the Commission's plan and report in fiscal year 1961 will provide an overall long-range planning framework for its area that will be acceptable to all concerned interests and agencies. Within this framework, the Bureau will be able to submit its recommendations for authorization of potential developments suitable for construction under the Federal reclamation laws much sooner than otherwise would be possible. This in turn will expedite authorization and initiation of construction of such developments and solution of our water supply problems.

These objectives cannot be achieved, however, unless the Congress provides the Bureau with adequate funds for completion of the Texas basins project investigation in the shortest practicable time. I understand from previous testimony that the Bureau's program, as originally submitted by the Secretary of the Interior, called for appropriation of $658,000 for this investigation for fiscal year 1961 and that this amount was reduced to $458,000 in the President's budget. If not remedied, this $200,000 cut will have serious consequences, far out of proportion to the amount of money involved. A substantial reduction in the staff engaged in the investigation will be necessary. This will impair the Bureau's contribution to the program of the U.S. Study Commission and will seriously delay accomplishment of a number of key actions required for completion of the Texas basins project investigation on schedule. The work originally scheduled for fiscal years 1962 and 1963 will be seriously disrupted by these delays and because the additional personnel needed to accomplish that work could not be obtained in time. The overall result of the $200,000 reduction will be to delay for at least 1 year, and probably for a much longer period, completion of the Bureau's report. Finally, the reduction will not really be a saving and may actually increase the total cost of completing the investigation.

Under these circumstances, my association strongly urges that you restore the $200,000 reduction and approve an appropriation of $658,000 for the Texas basins project investigation for fiscal year 1961, so that the bureau will be able to complete its report as scheduled in fiscal year 1963.

On behalf of my association, I also urge that you approve the full amounts that have been budgeted for investigations in the Texas portion of the Red River Basin. These funds consist of $12,100 for the Goodland project, $50,300 for the Prairie Dog Town and Salt Forks of Red River project, and $6,700 for the Liberty

Bottoms project. The Goodland project involves irrigation of about 15,000 acres in Texas and Oklahoma along the Red River below Denison Dam, with a reconnaissance report scheduled for completion in fiscal year 1961. The Liberty Bottoms project involves another area of about 12,000 acres along the Red River in Texas below Denison Dam, with a feasibility report scheduled for completion in fiscal year 1961. The investigation of the Prairie Dog Town and Salt Forks of Red River project is a reconnaissance study initiated in fiscal year 1960 to evaluate potentialities for developing new surface water supplies in the Texas portions of the drainage areas of these streams. The reconnaissance report is scheduled for completion in fiscal year 1962.

On behalf of my association, I also urge that the committee approve the funds budgeted for construction of Bureau projects in Texas, consisting of $11 million for the San Angelo project, $2,500,000 for the Mercedes division, lower Rio Grande rehabilitation project, and $500,000 for the La Feria division, lower Rio Grande rehabilitation project. These projects all have the full and enthusiastic support of the local interests involved and will contribute substantially to the economy of the portions of the State which they will serve. The San Angelo project will assure the city of San Angelo of the additional water supply which it needs for future growth and will provide a high degree of protection to the city against the ever-present threat of flooding from the South Concho River. At the same time, the project will provide for development of 10,000 acres of new irrigation, the benefits of which will accrue not only to the farmers directly involved but also to the residents of San Angelo and other nearby communities. In recognition of the benefits that its residents will receive from this irrigation, the city has agreed to assist in the development of such irrigation by assuming the responsibility for repaying to the United States the portion of the project costs allocated to irrigation that exceed the irrigators' repayment ability.

The Mercedes and Le Feria divisions, will provide urgently needed improvement and rehabilitation of two important irrigation districts in the fertile but water-short lower Rio Grande Valley of Texas. The dependable water supply which is available to this area from the Rio Grande, as regulated by Falcon Reservoir, is far from sufficient to meet growing municipal and industrial water requirements of the area and provide an adequate water supply for lands now under irrigation. Under these circumstances, it is essential that the available supply be used as efficiently as possible. Construction of the improvements authorized for the Mercedes and La Feria divisions will permit the Mercedes and La Feria districts to make the most efficient possible use of their portions of the available supply.

The El Paso County Water Improvement District No. 1 rehabilitation and betterment project is truly a water conservation project in an area with an average annual rainfall of about 9 inches and where the conservation of water is a must.

This is a 5-year, $2.3 million program and involves:

1. Cleaning of 220 miles of drainage ditches and canals.

2. Replacement and repair of structures in the canal and lateral system, such as checks, bridges, flumes, and culverts.

3. Replacement and repair of concrete lining, straightening of laterals, and repair of plant equipment and buildings.

The whole program will be paid for by the water users in the district. The budget carries $575,000 for this project for fiscal year 1961 and we urge the committee's approval of this amount.

The McMillan Delta project on the Pecos River in New Mexico, including the salinity alleviation program, is most important to water users in the Pecos River Valley in Texas. The Red Bluff Reservoir, located just below the Texas-New Mexico State line, is the source of water supply for irrigation in the Pecos area and the salt cedar along the reaches of the Pecos River in New Mexico are robbing the irrigation farmers of the Pecos Valley in Texas of badly needed water. We urge sufficient funds be made available to continue the construction of the project and to provide for the continued cooperative work with the Pecos River Compact Commission in the salinity alleviation program.

Thank you, Mr. Chairman and members of the committee for the privilege of presenting this statement on behalf of the Texas Water Conservation Association.

CURECANTI PROJECT, COLO.

(NOTE: The following statement was supplied in connection with testimony on p. 973:)

STATEMENT OF DAN H. HUGHES

My name is Dan H. Hughes, my address Montrose County, Colo. I live in the Uncompahgre Valley, which is part of the Gunnison Basin.

For 12 years prior to December 1, 1959, I served as district judge of the Seventh Judicial District of Colorado, which embraces within it the entire Gunnison Basin. I have resided in the Uncompahgre Valley since 1904. I worked on the Gunnison tunnel's first construction period in 1905. I started the practice of law in 1911 and I have the privilege of now representing all of the people in western Colorado which is directly affected by this Curecanti project. I appear here, also, as a member of the board of directors of the Colorado River Water Conservation District, which encompasses within its boundaries the greater portion of western Colorado and approximately one-fourth of the entire area of the State. I am Chairman of the National Advisory Council for the Bureau of Land Management, Department of Interior.

I appear before this committee today to urge upon you the necessity for the appropriation by the Congress of funds for commencement of construction on the Curecanti project and to give you the reasons why I do so. Let me say first that this project is one in connection with which there is no division of opinion in Colorado; as you have been advised by our Governor and by Congressman Aspinall of the Fourth Congressional District, the entire State of Colorado is solidly supporting the Curecanti project.

I now want to discuss this subject from a standpoint of the Gunnison Basin itself. The Gunnison River, of which the Uncompahgre is one of the principal tributaries, is a tributary of the Colorado River. Discussion of the desirability of the Curecanti project as a part of the Colorado River storage project itself has continued over many years. Since it became apparent that this project would be included as an essential unit of the overall storage project, local entities have been organized within the Gunnison Basin under the laws of the State of Colorado permitting such organization for the purpose, not alone of endeavoring to bring about the actual construction of the Curecanti dams but, looking further into the future, of integrating and coordinating the use of the water of the Gunnison River and its tributaries so that it would serve its full purpose of providing for in-basin development by consumptive use of water, including irrigation and municipal, and the functions which the reservoirs will perform as an essential unit of the Colorado River storage project. These entities are actively engaged, at this time, in furthering this general program so that when the Curecanti project becomes a reality, those within the Gunnison Basin will be prepared to utilize the water made available to the greatest possible extent.

It should be borne in mind that approximately 72 percent of the water that passes Lee's Ferry on its way to the lower basin and which was apportioned under the Colorado River compact, originates in western Colorado; by far the greater portion of that 72 percent finds its origin within the boundaries of the district I represent.

There are four holdover storage units authorized for construction under the Storage Project Act, Public Law 485. Only one is located in the State of Colorado, and that is the Curecanti project. The other three are in the process of construction. In our opinion, the Curecanti unit is as essential as any of the other three. We view the Curecanti unit as a multiple-use reservoir.

Approximately 38 percent of the entire area of Colorado is still owned by the Federal Government; a big percentage of this land is on the western slope of Colorado. I would say that Federal land comprises a minimum of 70 percent of the western slope area. We have one county, Hinsdale, where the latest figures I have seen show that approximately 95 percent of the entire land area is federally owned. It requires no argument to demonstrate that our governmental agencies located on the western slope, if they are to receive normal taxes for such purposes as school districts, road construction and maintenance, and county government must have an extremely large tax levy to raise sufficient moneys because of this Federal ownership of lands. At one time, a school dis-

trict located at Norwood, Colo., had a 7½-percent levy on all taxable property, which was not sufficient to meet their expenses.

There are large areas of uncultivated lands in the Gunnison Valley and the Uncompahgre Valley. It is practical to irrigate these lands if the water was available. At present, the lands which are irrigated take full streamflow during the irrigation season from approximately July 10 on.

When the Curecanti Reservoir is constructed, the waters stored during the nonirrigation season will be released for hydroelectric purposes through the entire year and will be sufficient to satisfy the irrigation needs below the reservoir. With the construction of the reservoir and the use of the stored water to serve the present decrees below the reservoir, there should be ample water available to put into cultivation areas for which water is not now available and which lie above the Curecanti Reservoir.

Local interests are now and for several years past have been moving ahead as rapidly as possible through forming water conservancy districts, surveying sites for small reservoirs and filing upon the same, preparing for canals for distribution of water therefrom and obtaining an agreement with the local landowners for the use of this water and the payment of charges which will be entailed thereby.

With this additional acreage, there would be material relief from the excessive high tax levy now existing. We feel that if the Federal Government continues to hold title to the land, it should take into consideration the burden cast upon the local people and the governmental agencies by virtue of the fact that such large land areas are not taxable in any matter.

It is mainly from this basis that we view Curecanti Reservoir as a multiple-use unit. In addition to any lands which could be brought in, water rights below the reservoir would be firm, water would be available not only for irrigation, but for municipal and country domestic use.

The reservoir will serve a very needed use for flood control. During the spring runoff period, the Gunnison River in its downstream reaches becomes a raging torrent and in its surge, annually causes excessive and distressing damage to both farm and urban areas. Construction of this project will eliminate this damage.

There has been a great deal of publicity in nationally distributed periodicals to the effect that the construction of the Curecanti Reservoirs will have an adverse effect on fishing, wildlife, and other recreational values. We consider this to be a calculated misrepresentation of facts and known to be such. Those of us who actually reside in the area directly affected by the reservoirs and who know what these values are, more than any other people, are convinced that this project will increase the economy in this area from the standpoint of the fishing, wildlife, and recreational values. The National Park Service and the Forest Service reports both predict that the reservoirs will increase the recreational values. In this connection, see House Document No. 201, 86th Congress, 1st session, publication date 1960, containing "Supplemental Report on Curecanti Storage Unit," pages 51 et seq., being a report by the National Park Service in connection with Curecanti Unit and its benefits wherein it is stated, "It is estimated that approximately 500,000 man-days of general recreational use annually can be attributed to the Curecanti unit reservoir. * * * These 500,000 visitor days are in addition to estimated present and future visitations to the area with out the project."

Appended hereto is a letter by A. Allen Brown, president of the Colorado River Water Conservation District, on that subject, and a letter to which Mr. Brown refers; and your attention is invited to these communications.

In conclusion, may be respectfully submit that this is truly a multiple-purpose project. This multiple purpose being power, recreation, industrial, irrigation, and flood control.

THE COLORADO RIVER WATER CONSERVATION DISTRICT,
Glenwood Springs, Colo., March 30, 1960.

In re Curecanti Reservoir, Colo.

To the Honorable Members of the U.S. Senate and to the Honorable Members of the House of Representatives, Washington, D.C.

GENTLEMEN: On behalf of the Colorado River Water Conservation District, a statutory organization comprising 13½ counties in the northwest one-fourth of the State of Colorado, I am enclosing herewith a letter prepared by the Honorable

John B. Barnard, Sr., attorney for the district, and a noted authority on water problems in the West, which letter is written in answer to an article which was published in the Outdoor Life magazine in the November 1959 issue, in opposition to the construction of the Curecanti Reservoir.

We submit to you that this article is misleading, is contrary to the facts, and that it was written to support preconceived ideas which have no relationship to the necessary development of the West. The author of that article spent less than 2 days in the Gunnison River area. On the other hand, Mr. Barnard was born at Montrose, Colo., prior to the turn of the century and has spent many years in this part of the State and particularly in connection with the study of the development of the State of Colorado and of our water rights.

As shown by Mr. Barnard's letter, the construction of the reservoirs on the Gunnison River will affect less than 12 percent of the 329.5 miles of stream fishing on the Gunnison and its tributaries, and at the same time, will multiply many times the recreation benefits derived from boating, waterskiing, and other aquatic forms of recreation.

The National Park Service, the U.S. Bureau of Reclamation, the U.S. Forest Service, and the official agencies of the State of Colorado have all given years of careful study and consideration to the questions involved in the construction of these reservoirs and have kept in mind the desirability of increasing recreation as well as production of power, the making of water available to some 150,000 acres of land and the protection of the lower river valleys from repeated flood damage. Are these tremendous and essential benefits to the State and Nation to be sacrificed for the "1,050 cottontail rabbits," a small number of mule deer and an unknown change in fish harvest mentioned in section 61 et seq. of the Sport Fisheries and Wild Life Report of 1957?

May we quote briefly from the 1960 Curecanti unit, Colorado River storage project, House Document No. 201. The report of the National Park Service, at page 52, states:

"Numerous cold mountain streams will pour into the three proposed reservoirs. Most of these are perennial and not notable fishing streams. Some of the major tributary streams are the Steuben, East and West Elk, Soap, Curecanti, Cimarron Crystal, Willow, Cebolla, Lake Fork of the Gunnison, and Pine Creek."

Also see page 57 where the Park Service states:

"With due consideration for the many outdoor types of recreational opportunities existing in the upper Gunnison Basin area, it is believed that there is a definite need for aquatic recreation of the type to be provided by the proposed Curecanti unit reservoirs."

And at page 58:

"It is estimated that approximately 500,000 man-days of general recreation use annually can be contributed to the Curecanti unit reservoirs when recreation developments and facilities adequate to that use have been provided. These 500,000 visitor-days are in addition to estimated present and future visitations to the area without the project."

As you have been advised, Colorado produces approximately 72 percent of the water delivered to the lower basin States at Lee Ferry. Curecanti unit is the only holdover storage project that will directly benefit the State of Colorado.

For these and other legitimate and valid reasons, we urge you to read Mr. Barnard's letter carefully and give it the weight that it deserves coming from one who has had years of actual experience with the Gunnison River, its uses and its problems.

Very respectfully yours,

A. ALLEN BROWN, *President.*

BARNARD & BARNARD,
Granby, Colo., March 10, 1960.

EDITOR,
Outdoor Life,
New York, N.Y.

DEAR SIR: Perhaps if this letter were being written to our local weekly newspaper, it should be entitled "Letter to the Editor". It is prompted by an article by Ben East, which appears in your November 1959 issue, entitled, on the front page, "Doom of a Great Trout River." The heading at the start of the article reads: "The Gunnison, one of the most famous of U.S. trout streams, is about to

die for three nonessential dams." Herein, I propose to substitute some specific and pertinent facts for the misinformation contained in this article. Your publication justifiably enjoys a wide circulation; and certainly you, as editor, should be deeply concerned with the factual background, or the lack thereof, for all of the material which you publish.

Does the author of this article actually believe that the Congress would have authorized the advancement of $82,311,000 of Federal funds to construct these dams if they are nonessential? Does he really believe that President Eisenhower, who has been insistent, to the extent of inviting criticism of his policies, that public funds be not expended for nonessential projects or those not essential at this time, would have signed the measure authorizing the construction of the Curecanti project, if the three dams were nonessential? Is he of the opinion that the President's Bureau of the Budget, economy minded as it is, would have included an appropriation of the sum of $1,400,000 in its fiscal year 1961 recommendation to commence construction of these dams if they are nonessential? Does he believe that the Department of the Interior was completely in error when it ascribed and allotted $3,268,000 of these Federal funds to the recreation benefits which will flow from the three nonessential dams? Mr. Editor, answer these questions yourself. Appraise the facts your answers will disclose, and then determine, for yourself, whether the wailing article to which I refer is based upon facts or upon misinformation, and the sensational fantasies and imaginings of the author, who, I understand, spent less than 2 days in the Gunnison area gathering his data.

I am not unfamiliar with this great trout stream. My first fishing experience on that part of the Gunnison River which is the subject of this article was in 1907, when, as a young lad, I fished with willow flies in a very attractive pool located just a few hundred yards upstream from the situs of the proposed Blue Mesa Dam which will form the largest of the three Curecanti reservoirs. My youthful wanderings then took me along the course of the river from Curecanti Needle upstream about 10 miles. I enjoyed it immensely, even though that stretch of the stream is a dangerous one to fish; and, in the many years which have passed since that early date, and as time would permit, I have returned to my favorite fishing spot to pursue one of my favorite outdoor sports. I have fished, also, on many of the miles of the Gunnison and its principal tributaries which will, in nowise, be affected by the construction of the Curecanti project; and every fishing expedition gave me a thrill. I might add that I also much prefer stream fishing to lake fishing.

The title and subtitle of the article to which I refer, and the text itself, are all designed to create the completely false impression that the inundation of that portion of the Gunnison River which will be flooded by the Curecanti reservoirs means the inevitable doom of a great trout river. This is based upon misinformation of the grossest sort; and I propose herein to tell you why I say that, and to give you the facts which both support my statement and refute those made by the author.

The principal tributaries of the Gunnison River are the East River, Taylor, Ohio Creek, Tomichi Creek, Cochetopa Creek, Cebolla Creek, Quartz Creek, and the Lake Fork. When sportsmen speak of the Gunnison as a great trout river, they mean not only the stream itself between the situs of the proposed Crystal Dam and Almont, a distance of 67.5 miles, but they also mean, and justifiably so, all of the above-named and many minor tributaries. The principal tributaries are all comparatively large streams, and affords as good or better fishing than does the main stem of the Gunnison itself. Many prefer to fish them over the Gunnison. They are far less dangerous to fish than is the part of the main stream which will be affected by the Curecanti project. The combined length of the fishing stream of the Gunnison and the above-named principal tributaries is 329.5 miles.

From the Crystal Dam, which will be located 5 miles upstream from the south boundary of the Black Canyon National Monument, to the upstream limits of the high water line of the Blue Mesa Reservoir, 8 miles below the city of Gunnison, is a distance of 47.5 miles. Were all of this 47.5-mile stretch of stream available for fishing, which it very definitely is not, then 15 percent of the great trout river, which is the Gunnison system, would be affected for stream fishermen by the Curecanti project. I really believe that Mr. East and the rest of us who prefer stream fishing to lake fishing could find a mile or two in the remaining 282 miles of the Gunnison River and its principal tributaries in which we could pursue our hobby.

Now, let's arrive at the facts as to the 47.5 miles of the Gunnison River proper which will be inundated by the Curecanti reservoirs. Let's take the Blue Mesa Reservoir first: 26 miles of the Gunnison will be flooded by the Blue Mesa Reservoir. Of this 26 miles, 15.5 miles of it traverses posted areas. Stretches of the stream are posted with "No Tresspassing" signs, primarily to keep ardent fishermen from tramping down hay crops, leaving pasture gates open, and committing other depredations to the disadvantage of ranchers; and it is not publicly open to stream or any other kind of fishermen. This leaves an 11-mile stretch which is, theoretically, available to stream fishermen. But is it? Look at the pictures of Don Benson, standing on a huge rock, on page 45 of your issue. You will note that the right bank of the river consists almost entirely of precipitous cliffs, down which only the most hardy soul will venture to pursue the wily rainbow or any other kind of game, fish, or animal. It is my estimate that, of the 11 miles of unposted stream above the Blue Mesa Dam, fully 40 percent is inaccessible to fishermen because of the presence of these cliffs. This leaves only 6.6 miles of open stream above Blue Mesa Dam for stream fishing out of the above total of 329.5 miles of fishing stream in the Gunnison River and its principal tributaries. Do these facts paint for you a picture of the doom of a great trout river?

It is 15 miles from the situs of the proposed Morrow Point Dam and to the Blue Mesa Dam. This portion of the stream will be inundated by the proposed Morrow Point Reservoir. Here the river traverses the Black Canyon. Only one bank of the stream through the Black Canyon is or ever can be accessible or available to stream fishermen; the towering cliffs of the Black Canyon effectively keep them off the other bank. Here, except in low water periods, the Gunnison is a raging, swift flowing, turbulent stream. One may fish only in a very few places along one side, where pools are formed, and the water becomes sufficiently quiet so that a fisherman can even keep his line in the water; and only hardy and skilled mountain men should even attempt to fish it.

It is 6 miles from the situs of the proposed Crystal Dam to the Morrow Point Dam. This stretch of the stream also will be flooded when the Crystal Reservoir is filled with water. No part of the stream here is now accessible to fishermen. The abandoned D. & R. G. Railroad emerges from the Black Canyon immediately below the situs of the Morrow Point Dam. From the point of such emergence to the Crystal Dam, the river flows through a portion of the Black Canyon which it is impossible for fishermen to enter or traverse. Parenthetically, when the Crystal Reservoir is filled, not only fishermen but gentle souls who prefer to observe scenic wonders the easy way may, by boat, traverse this presently inaccessible portion of the Black Canyon, and enjoy what I consider to be about the most spectacular and breathtaking scenic wonders on the face of the earth. They cannot see or enjoy them now.

It is my understanding that the regulation of the flow of the Colorado River by Hoover Dam and Lake Mead has made that portion of the stream below the dam an acceptable fishing area, whereas that was not true prior to the construction of that project. With the Gunnison River regulated by the Curecanti dams, and in view of the fact that present operation plans provide for the bypassing, at Crystal Dam, of a substantial and regulated flow of water, it is only logical to assume that the Gunnison River below Crystal Dam will become a "great trout stream." At present it is not, being populated almost entirely by "rough fish."

I again refer you to the pictures illustrating the author's article. Note the one at the lower left on page 46. Would you care to attempt to fish this stretch of the stream? The portion of the river immediately above Crystal Dam resembles that which is shown in the picture. However, the cliffs on each side of the stream in that stretch of the river tower probably 10 times as high as the hills shown on each side of the stream in this picture; they do not slope gently; they plunge almost perpendicularly for an up and down distance of close to one-half mile. Would you care to fish that part of the Gunnison?

I am a confirmed and lifelong devotee to the sport of stream fishing as contrasted to lake fishing. When the three Curecanti Reservoirs are filled, I plan only slightly to alter my previous fishing procedures when I go to the Gunnison River. I propose to find a mile or 2 of the 282 miles of the river which will not be affected by any of these reservoirs. And I will there pursue my fishing activities as ardently, and, I am sure, as successfully, as I did when I fished at Sapinero. At the close of my fishing day, I will return to one of the recreational areas which the Government plans to be established along the perimeter of the Blue Mesa Reservoir; and there will be several of them upon its 95 miles of high-water line. There I will fry my fish in my trailer house which will be lighted

with electricity generated at the Blue Mesa powerplant, and heated from the same source. If daylight hours remain, I will take my grandchildren and make a boat trip out over the vast expanse of the Blue Mesa Reservoir, which I think will be one of the most beautiful bodies of water in America. And I think my evening rest will be disturbed very little by the fact that I cannot any longer fish on 47.5 miles of the Gunnison River, most of which I couldn't fish anyway, and if I am at all disturbed by the fact, I will console myself by remembering that 282 miles of that stream still remain to me and all other fishermen, who, like me, prefer stream fishing to lake fishing.

Please bear in mind that not all people who come to Colorado for their vacations, and the number is increasing tremendously year by year, come here to enjoy stream fishing. Many who visit Colorado like boating, swimming, water skiing, lake trolling, and other similar sports which now are denied them in the Gunnison Basin. Are we to sacrifice their pleasures and enjoyments for those of the very meager few who would like to see the Gunnison River remain as it is?

Let us look at the economy of the Gunnison Basin area. I live in Grand County immediately below Granby Reservoir, a manmade lake which is a part of the Colorado-Big Thompson project. The Colorado River was at one time equally as good a trout stream as the Gunnison. I know this from experience, having fished both streams for many years. Many miles of the Colorado are now inaccessible for stream fishing because of the presence of Granby Reservoir and the flow of water released therefrom. But I know that the portion of the economy of Grand County which is dependent upon tourists and visitors has tremendously increased since Granby Reservoir was filled, because those who come here find not only stream fishing but a system of lakes of great beauty which they may enjoy in a wide variety of activities. Based on our experience here in Grand County, I predict that for every one fisherman who would visit the Gunnison area to fish in that portion of the Gunnison River which will be affected by the Curecanti project, hundreds will come to enjoy the remaining stream fishing, to pursue their piscatorial activities on the three reservoirs which will be created, to camp in comfort at the recreational areas to be established, to enjoy boating, yachting, water skiing, swimming, and other activities now denied them.

Another phase of the discussion by the author of this article has to do with the necessity for the construction of the Curecanti Dams from the standpoint of the economy and welfare of the immediately affected areas and of the seven Colorado River Basin States. I do not propose to bore you with details of the Colorado River storage project, of which the Curecanti is one of the primary and necessary units. I shall only give you certain facts for your consideration, and suggest to you that a minimum amount of research on the part of your staff will tell you whether or not they are reasonably accurate.

The construction of the Curecanti Reservoirs will make possible the irrigation, within the Gunnison Basin, of 83,550 acres of land which is now in sagebrush and, so far as production of crops is concerned, completely barren. It will provide supplemental water for 73,300 acres of lands which are presently, but inadequately irrigated. The Gunnison Basin lands involved are devoted primarily to the raising of livestock. The phenomenal increase in the population of America forecasts that the time will soon be here when more beef cattle must be raised if the demands of that population for beef are to be met. In no other way can these lands ever be made productive. I invite you and the author of this article to investigate carefully the accuracy of this and my following statements of fact.

Second, revenue received from the electrical energy to be generated at Curecanti, Flaming Gorge, and Glen Canyon Reservoir will make possible the construction of more than 43 participating projects in western Colorado which, without this power revenue, cannot be constructed, at least within the foreseeable future. These projects are designed to irrigate thousands of acres of presently unirrigated lands, and to provide supplemental water for more thousands of acres which are now inadequately irrigated. Again, forecasting the future, America in 25 or 50 years must depend heavily upon the production of these lands to feed its men, women and children. Is a dam which creates a reservoir which serves these present and future purposes a "nonessential" dam?

Industry and municipalities throughout the seven States of the Colorado River Basin, and beyond, are power hungry. The demand so greatly exceeds the supply that many communities cannot be assured of an adequate supply of power past the year 1962. These communities, industries, municipalities and great cities of the Colorado River Basin are as much entitled to an ample supply of power as are similar entities in the East. Is a dam which includes a powerplant which, in turn, will greatly augment this inadequate power supply a "nonessential" dam?

I shall not go further in discussing the benefits which will accrue to the Gunnison Basin, western Colorado, the State of Colorado, the seven States of the Colorado River Basin, and in fact, the United States of America, as the result of the construction of the Curecanti project. I merely invite you and those who oppose such construction, including the author of this article, to spend just a little time in further research on the subject.

The author of this article, on his muffled drums, beats a lugubrious requiem presaging the "Doom of a Great Trout River." I think it would be more proper to arrange for an orchestra to play a fanfare announcing the birth of a recreational area and era which men will never see save only for the Curecanti Reservoirs.

Yours very truly,

JOHN B. BARNARD.

IRRIGATION, RECLAMATION, AND POWER PROJECTS OVERSEAS

(NOTE: The following statement was supplied by Senator Gruening in connection with his testimony on p. 1533:)

TABLE I.—*Summary of obligations for irrigation, reclamation (including flood control) and power projects cumulative, Apr. 3, 1948, to June 30, 1959*

[Millions of dollars]

Program	Table in which detail is shown	Obligations as of June 30, 1959	Fiscal year 1959
Grand total		$633.1	$124.9
ICA and predecessor agencies' programs: Total		517.9	47.8
Inactive programs:			
European industrial projects	II	97.8	
European oversea territory projects	III	4.1	
Continuing programs:			
Far East	IV	225.1	33.6
Near East and south Asia	V	148.1	7.8
Africa	VI	12.9	4.6
Latin America	VII	12.2	1.1
Europe	VIII	17.7	0.7
Development Loan Fund	IX	115.2	77.1

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE II.—*European industrial projects* [1]*—ICA or predecessor agencies' obligations, or irrigation, reclamation, and power projects, by country and project, Apr. 3, 1948, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	July 1, 1954, through June 30, 1959	Prior to fiscal year 1955
Europe total	$97,838	−$2,285	$100,123
Denmark: Steam electric station (60,000 kilowatts) at Kynby	3,317		3,317
France	17,879	−150	18,029
Thermal electric powerplant at Dechy (120,000 kilowatts)	11,921	−127	12,048
Boiler for steam electric station at Arrighi (100,000 kilowatts)	2,444		2,444
Boiler equipment for steam electric unit at Nantes Chevire (100,000 kilowatts)	1,801	−4	1,805
Extension of the Office du Niger Irrigation Project in French West Africa	1,191		1,191
Boiler equipment for 2d steam electric station at Arrighi (100,000 kilowatts)	522	−19	541
Iceland	4,857	−4	4,861
Expansion of hydroelectric plant on Sog River	3,890	−1	3,891
Expansion of hydroelectric plant on Laxa River	967	−3	970
Italy	59,979	−2,131	62,110
Steam electric station (100,000 kilowatts) at Piacenza	10,357	−162	10,519
Turbogenerator (50,000 kilowatts) at Genoa for Societa Edison, Milan	6,111	−58	6,169
Turbogenerator with 60,000-kilowatt capacity to serve northern Italy	6,092	−138	6,230
Steam electric station (60,000 kilowatts) at Naples	6,014	−83	6,097
Turbogenerator (50,000 kilowatts) near Turin for Societa Idroelettrica Piemonte	5,937	−159	6,096
Steam electric station (60,000 kilowatts) at Palermo	5,730	−336	6,066
Steam electric station (60,000 kilowatts) at Civitavecchia, Rome	5,608	−502	6,110
Steam electric station (50,000 kilowatts) at Genoa	5,510	−159	5,669
Steam electric station (30,000 kilowatts) at Naples	3,280	−69	3,349
Addition to steam electric plant (30,000 kilowatts) at Turin	2,862	−363	3,225
Steam electric plant (120,000 kilowatts) near Tavazzano for STEI	2,478	−102	2,580
Netherlands: Thermal powerplant (120,000 kilowatts) on the Amer River	3,092		3,092
Portugal: Irrigation and power development in the Sorraia Valley and plains of Villa Franca	897		897
Spain	7,300		7,300
Thermal powerplant at Burenca	3,650		3,650
Thermal powerplant at Escatron	3,650		3,650
International: Austro-German hydroelectric powerplant at Braunau on Inn River	517		517

[1] This special program, in which certain procurement authorizations issued by ECA and MSA were identified with various European projects, was particularly active during the Marshall plan period from 1949 to 1952. The last projects added to this program were the 2 thermal power projects for Spain authorized in June 1954. This table shows the current status, as of June 30, 1959, of the obligations originally entered into during that earlier period.

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE III.—*European oversea territories—ICA or predecessor agencies' obligations for irrigation, reclamation and power projects as of June 30, 1959*

[Thousands of dollars]

Area and project	Cumulative total as of June 30, 1959	July 1, 1954, through June 30, 1959	Total prior to fiscal year 1955
Total	$4,084	−$228	$4,312
Belgian territories: Belgian Congo soil survey	38		38
French territories: French soil conservation program, Algeria	535		535
Netherlands territories: "Eysvoogel plan" land reclamation Surinam	1,084	−212	1,296
United Kingdom territories	2,427	−16	2,443
Power station, Malta	2,203	−16	2,219
Mid-Clarendon irrigation project, Jamaica	175		175
Construction of reservoirs, British Somaliland	32		32
Antierosion and reclamation, Cyprus	17		17

GENERAL NOTE.—This program, in which ECA utilized European program funds to finance directly specific projects in the oversea territories of European countries, was active in fiscal years 1950 and 1951. This table shows the current status, as of June 30, 1959, of the obligations originally entered into during that earlier period.

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE IV.—*Far East program—ICA or predecessor agencies' obligations for irrigation, reclamation and power projects, by country and type of project, June 5, 1950, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Far East total	$227.382	$33,587
Burma	7,100	
Land restoration	5,400	
Reconstruction of Kabo Dam	1,700	
Cambodia	1,701	210
Irrigation and drainage development	1,378	143
Development of Kompong Som water power study	323	67
China (Taiwan)	100,281	16,318
Power transmission distribution	20,294	2,315
Shen-Ao 2d unit thermal	18,810	9,205
Primary system improvement and power control	8,583	1,420
Shen-Ao 1st unit thermal	8,367	85
Shihmen multipurpose dam	7,863	39
Ku Kwan hydropower	6,966	765
Nan-Pu 1st unit thermal	5,872	
Nan-Pu 2d unit thermal	5,132	
Tien-Leng hydroelectric powerplant	4,082	
Lung-Chien hydro	3,246	395
Wu Sheh hydro dam	2,257	71
Thermal power generation	1,571	
Li-Wu hydropower station	1,478	
Land and water resources, JCRR	1,184	893
Tachien Reservoir exploration	1,000	1,000
Sun-Moon (Peaking) power station	674	
Tien-Leng (Peaking) power station	590	
Taiwan Power Co thermal	462	
URAI power station	457	
Pei-Pu thermal power station	394	
Water resources survey	292	82
Irrigation and reclamation	182	
Hydroelectric power development, Ta Chien Reservoir	159	48
Deep well improvement	119	
Sun-Shan thermal power station	78	
Farm reclamation	73	
Power system, Tsoying	58	
Peng-Hu thermal power station	38	

TABLE IV.—*Far East program—ICA or predecessor agencies' obligations for irrigation, reclamation and power projects, by country and type of project, June 5, 1950, to June 30, 1959*—Continued

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Indonesian Republic	1,033	190
Land development and conservation	960	190
Soil conservation and land utilization	73	
Korea	81,372	15,911
Thermal power development (Seoul, Pusan, Samchok)	28,535	
Thermal electric generating plant	9,292	5,753
Rehabilitation and improvement Hwachon Dam plant	8,937	
Irrigation and land reclamation	7,926	
Rehabilitation and construction of thermal transmission lines	6,977	2,198
Rehabilitation of Chong Pyong Dam	6,000	3,800
Rehabilitation of Yongwol and Tangin-Ri thermal	5,641	2,752
Forest and watershed management	2,923	782
Flood control	1,529	367
Rehabilitation and improvement, electric power distribution system	1,478	
Power rehabilitation engineering services	646	
Training for ROK electric power system	476	259
Forest erosion control and stream improvement	392	
Hydro exploratory survey	310	
Electric power communications	195	
Rehabilitation of Unam powerplant	115	
Laos	615	
Powerplant extension	587	
Powerplant survey	28	
Philippines	16,229	629
Irrigation, services	10,525	448
Flood control	2,171	
MERALCO power project	2,045	
Water resources planning and development	772	151
Soil conservation	395	30
Power market development	315	
Electric power survey	6	
Thailand	11,531	256
Maemoh thermal facility	3,469	
Irrigation and reclamation	2,818	
Bangkok interim power	1,981	
Power system survey and improvement	1,451	
Ground water resources and development	689	
Power service training	676	256
Tank irrigation and water construction	447	
Vietnam	1,749	60
Electric power development	1,096	
Rehabilitation irrigation and drainage	503	60
Reforestation and erosion control	150	
Cambodia, Laos, and Vietnam	1,251	
Irrigation and reclamation	794	
Thermal power generation	457	
Asian Economic Development Fund: Mekong River project (AEDF)	2,260	13

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE V.—*Near East and south Asia—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects, by country and type of project, April 3, 1948, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Near East and south Asia total	$148,152	$7,840
Afghanistan	10,643	5,314
Helmand electric power, Kandabar	3,351	2,801
Helmand irrigation construction and survey	2,834	1,134
Helmand resources development	2,065	1,199
Helmand valley development	686	
Helmand authority development operations	524	137
Helmand land development	500	
Helmand canal operations and maintenance	384	
Helmand surface and ground water irrigation	170	43
Helmand agriculture development	116	
Helmand Arghandab irrigation and survey	13	
Ceylon	4,196	499
Irrigation and land development	3,216	289
Hydropower survey and training	499	36
Physical research survey and planning	284	5
Water resources and planning	197	160
Greece [1]	12,633	
Thermal electric plant in Eubean Gulf territory (80,000 kilowatts)	7,040	
Owner-engineer services to Greek Government on Greek electric power program	4,996	
Electric transmission, transformation, and distribution from Eubean Gulf territory station	198	
Electric transmission, transformation, and distribution out of Ladhon plant	129	
Electric transmission, transformation, and distribution out of Agra plant	83	
Electric power system training	59	
Natural resources development project	58	
Hydroelectric plant (5,000 kilowatts) at Louros	42	
Irrigation farm practices demonstration courses	25	
Electric transmission, transformation, and distribution out of Louros plant	3	
India	43,798	448
Ground water irrigation	18,304	
River valley development	7,959	
Rihand Valley development	6,024	40
Ground water exploration	4,097	
Delhi thermal plant	4,000	
Improvement of Rajasthan power facilities	1,065	
Technical services and water resources power development	811	197
Water resources survey and minor irrigation works	480	
Electric distribution system maintenance training center	355	65
Flood control	208	
Development of forest research and desert afforestation	169	10
Soil and water conservation	134	134
Technical and engineering services to Central Water and Power Commission	100	
Technical assistance to Irrigation Research Institute	92	2
Iran	2,562	98
Construction of Karaj Dam	627	
Municipal power system	487	
Reclamation and irrigation development	308	98
River basin survey	205	
Development land and water use plan	188	
Completion of Karkheh Dam	151	
Rehabilitation of deep wells in Yezd area	147	
Demonstration of Ghanat construction	140	
Completion of Golpayegan Dam	131	
Improvement of farm irrigation system and irrigation practices	84	
Completion of Sheikh Ali Khan Dam and Kuhrang irrigation tunnel	50	
Development of Zayendeh Rud Basin	42	
Improvement of Thera municipal power system	2	

[1] All projects listed, except the last 3 entries, were originally authorized under ECA and MSA as part of the "industrial projects" program. The data shown represent the current status, as of June 30, 1959, of the obligations made by ICA's predecessor agencies.

TABLE V.—*Near East and south Asia—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects, by country and type of project, April 3, 1948, to June 30, 1959*—Continued

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Iraq	268	150
Irrigation administration and development	153	122
Range management	76	----
Miri Sirf land development	39	28
Israel: Water resources	228	----
Jordan	6,903	44
East Ghor main canal	2,500	----
Land and water resources development	1,856	6
Yarmuk Jordan Valley	1,309	----
Afforestation watershed protection	778	38
General Wadi development	388	----
Range management	72	----
Lebanon	2,572	823
Power transmission	1,138	823
Kasmie construction	544	----
Litani River Basin investigation	461	----
Water reconnaissance survey	339	----
Irrigation	90	----
Nepal: Nepal Valley multipurpose project	642	----
Pakistan	36,995	18
Karnafuli multipurpose	19,740	18
Taunsa barrage	5,902	----
Punjab ground water survey	4,008	----
Multan Lyallpur power transmission	3,600	----
Ganges Kabadak irrigation	1,925	----
Makhi Dhand reclamation	820	----
Soil and water conservation	558	----
Ground water exploration and tube wells	188	----
Water resources advisory	124	----
Soil and water conservation (Baluchistan Sailaba)	77	----
Soil and water conservation (range and pasture)	53	----
Turkey	$24,200	$446
Sariyar hydroelectric plant	14,609	----
Bosphorous aerial transmission line	8,003	----
Reclamation (river valley)	672	163
Soil and water resources	451	107
Power supply priority study	200	73
Power planning	160	85
Maintenance of hydroelectric powerplant	80	16
Irrigation seminar	25	----
United Arab Republic (Egypt)	2,512	----
Land reclamation and development for Arbis area (EARIS)	1,153	----
Land reclamation and development, Qasta area	669	----
Underground water survey	245	----
Agriculture drainage	212	----
Land reclamation and development (EARIS Kom Oshiem)	150	----
Land and water utilization	57	----
Drainage investigations and improvements	26	----

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE VI.—*Africa—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects, by country and type of project, July 1, 1951, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Africa total	$12,894	$4,578
Ethiopia	3,291	1,270
Water resources survey co-op-service	1,739	800
Blue Nile River Basin investigation	849	470
Well drilling (for irrigation)	400	----
Electric power stations	156	----
Water resources survey	147	----
Ghana: Volta River survey project	105	105
Liberia	665	307
Forest conservation	430	230
Electric survey	235	77
Libya	7,759	2,351
Tripoli power project	3,500	----
Soil conservation	2,428	1,599
Forestry	794	359
Ground water development	541	126
Irrigation development	286	160
Range management	210	107
Morocco: Irrigation project	6	6
Tunisia	377	308
Equipment for maintenance of primary drainage canals	240	240
Assistance for irrigation of crops	70	34
Surface water impounding	67	34
Somalia	157	124
Water resources development	122	122
Forestry development	24	2
Reclamation	11	----
Oversea territories, United Kingdom: Land planning, soil and water conservation	534	107

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE VII.—*Latin American program—ICA or predecessor agencies' obligations for irrigation, reclamation, and power projects, by country and type of project, July 1, 1951, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Latin America total	$12,172	$1,149
Chile	707	137
Reforestation, soil and water conversation	390	71
Water utilization	194	
Water development and resources	123	66
Colombia: Power resource development	32	
Costa Rica	15	
Soil survey project	9	
Tempisque Valley (water resources development)	6	
Dominican Republic: Hydroelectric and irrigation survey	9	
El Salvador: Land and water resources	162	53
Guatemala	5,617	600
Rural development (clearing, land preparation)	2,934	
Rural development (including land development)	1,923	600
Rural development (small irrigation works)	744	
Rural development (land clear)	16	
Haiti	4,343	
Development of Arthibonite Valley	2,475	
National irrigation development program	1,261	
Watershed control	228	
Development of Quartier-Morin Plain	209	
Irrigation, Leogene	110	
Clearing lands, Grand 'Anse	60	
Honduras: Land and water resources	201	38
Nicaragua	90	28
Industry and mining water resources investigation	62	
Agricultural land and water resources and forestry	28	28
Panama: Water resources development	103	47
Peru	884	244
Cooperative rural development	800	200
Irrigation engineering	65	25
Forestry development program	19	19
Overseas Territories, British Guiana	9	2
Ground water principles training	7	
Irrigation problems, practices training	2	2

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE VIII.—*Europe—ICA or predecessor agency obligations for irrigation, reclamation, and power projects, by country and type of project, July 1, 1954, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Europe total	$17.658	$696
Iceland	5,021	21
Sog development, upper Sog hydroelectric plant and Keflavik Airbase tie	5,000	
Hydroelectric survey	21	21
Spain	11,502	86
Thermo power boilers	5,638	
Electric power, fiscal year 1956	3,587	
Electric power industry (transmission and distribution)	1,942	
Forestry and range management demonstrations	189	57
Irrigation and reclamation demonstrations	61	22
Soil conservation and improvement	59	
Irrigation and underwater study	19	
Ground water development for public water supply	7	7
Yugoslavia	1,135	589
Soil improvement and water resources	707	341
Forestry	277	192
Power	151	56

Source: International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

TABLE IX.—*Development Loan Fund operations for irrigation, reclamation, and power projects, by country and type of project, July 1, 1957, to June 30, 1959*

[Thousands of dollars]

Country and project	Cumulative total through June 30, 1959	Fiscal year 1959
Total, all countries	$115,200	$77,100
Far East total	43,000	21,500
China (Taiwan): Shihmen Dam	21,500	
Korea: Chung Ju hydro	1,500	1,500
Thailand: Bangkok power	20,000	20,000
Near East and South Asia total	59,500	42,900
Ceylon: Irrigation and land development	1,600	
India: Public power development	10,000	
Iran: Plan organization project	[1] 4,000	4,000
Israel: Development loan	[1] 5,000	
Jordan: Electric power	1,200	1,200
Pakistan	37,700	37,700
West Pakistan secondary transmission	23,000	23,000
High tension grid	14,700	14,700
Africa total—Libya: Tripoli power	5,000	5,000
Europe total—Spain: Irrigation	7,700	7,700

[1] Represents that portion of loans associated with power development.

Source. International Cooperation Administration, Office of Statistics and Reports, Oct. 27, 1959.

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